

A full-page background image showing a sunset over a beach. The sun is low on the horizon, creating a bright, golden glow that reflects on the water and sand. The sky is filled with soft, orange and yellow clouds. In the foreground, a pair of dark-colored flip-flops lies on the sand. A white rectangular box is centered in the upper half of the image, containing the title text.

IF ENVIRONMENTAL REPORT

2014



If P&C Insurance
Drammensveien 264
0283 Oslo, Norway
Phone: + 47 93403546
Mail: ole.evensen@if.no

About THIS REPORT

This is our 6th annual environmental report in which we summarize our environmental footprint and performance. The reporting period for information in this report is 1 January 2014 – 31 December 2014. The scope and boundaries of the report include our operations in Finland, Denmark, Norway and Sweden.

We would appreciate your feedback on this report. For more information about If's environmental management program, please contact Ole Evensen, Environment Director.



If's investment in new wood stoves play an important role. In India alone, 500,000 people die from heart disease, cancer and lung problems every year, caused by inhaling the fine particles in the smoke from bad stoves. Most of them are women and children.

It is estimated that 1.8 million trees have been saved, that would otherwise have been spent as fuel in the old stoves.

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OUR HIGHLIGHTS *over the years*

2008	2009	2010	2011	2012	2013	2014
<ul style="list-style-type: none"> – Our environmental strategy was developed – Our environmental policy was developed 	<ul style="list-style-type: none"> – List of 100 activities designed to lead to a greener If – Meeting management program to reduce travel – Climate impact accounting according to Greenhouse Gas Protocol 	<ul style="list-style-type: none"> – Completed the tasks on the 100-environmental-action-points list – Start of our green procurement program, If in Sweden and Norway became members of Buy Ecolabelled Network – Launched environmental training for all new employees – Published our first environmental report summarizing activities and performance 2008-2009 	<ul style="list-style-type: none"> – Global environmental responsibility through carbon offset, CDM project in India – If Finland and Denmark became first members of the local Buy Ecolabelled Network – If launched Europe's first eCustomer center in Lysaker in Norway – Launched insurance product for liabilities based on the Norwegian Nature Conservation Act 	<ul style="list-style-type: none"> – If Denmark launched vehicle insurance whereby the price of the insurance is determined by the amount of CO₂ emissions from the vehicle as well as driving habits – Green Tenant Award 1st prize to our office in Gothenburg – Turku office was certified as WWF Finland Green Office 	<ul style="list-style-type: none"> – If's office in Espoo was certified according to WWF Finland Green Office standard and If's office in Gothenburg was approved as a Green Building – Energy declarations and action plans were developed for 28 of If's largest offices – Air travel was down by almost 40% since 2007. – If introduced an environmental insurance based on an EU directive, in Sweden and Finland. Denmark will introduce the insurance in autumn 2014. Norway introduced the insurance in late 2012 	<ul style="list-style-type: none"> – The Commercial business area in Norway launched three new environmental-related insurance products – If published an annual report called "The Heat is On", based on IPCC's 5th assessment report – A collaborative project on climate change adaptation and insurance developed a web-based visualization tool for homeowners called VisAdapt – Motor Norway tested an initiative whereby customers who were claiming on their car insurance had the option of being given a bicycle to keep instead of renting a car while theirs was being repaired. This was a success and 650 bicycles were delivered in 7 weeks – If changed to more environmentally-friendly multi machine printers and decreased the number of printers by 20%



CEO *message*

Over the past year, scientists have once again declared that our planet is getting warmer. If global warming is not abated it will have severe and irreversible consequences. Areas that are populated today may be uninhabitable within a few generations.

Climate change is one of the most urgent global challenges that we are facing today. It affects us as citizens, parents and children, both at work and at home. It is extremely important that we understand what is happening to our planet and how it is impacting our lives.

As an insurance provider, we see the consequences of climate change earlier and more clearly than many others. The insurance payouts for weather-related disasters have doubled over the last two decades.

Climate change calls for long-term solutions. Major changes in behavior are required to reverse the trend of increased global greenhouse gas emissions. I am convinced that many of us want to see political leadership with the courage to tackle the challenges we are facing. One of our goals at If Insurance is to motivate others to work towards sustainable development by inspiring them with the efforts we are making to reduce our environmental footprint and our support of renewable, energy efficient solutions on other continents.

This report presents some of our environmental achievements. We have an ongoing commitment to the environment and, as we look back at our accomplishments, we are planning future actions for a sustainable future. Some of these strategies are presented in this report.

Environmental protection concerns all of us and we must not forget that everyone can contribute to reversing the trends and reducing the effects of global warming.



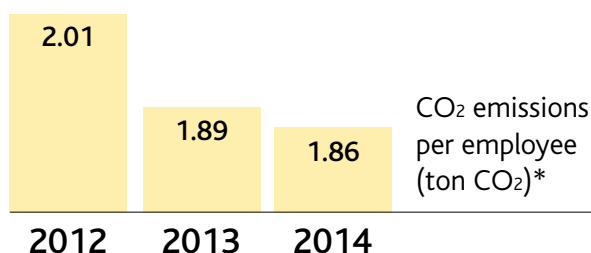
Torbjörn Magnusson
CEO, If P&C Insurance AB



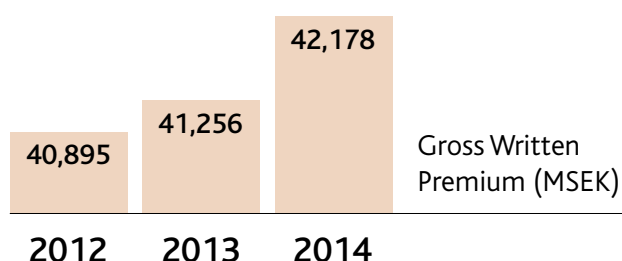
ABOUT *If*

Company name.....	If (If P&C Insurance AB)
Countries of operation.....	Finland, Denmark, Norway, Sweden, Estonia, Latvia and Lithuania
Head office.....	Barks väg 15, Solna, Stockholm, Sweden
Markets.....	Non-life insurance policies for individuals, businesses and international industrial enterprises
Number of customers.....	3.6 million
Number of employees.....	6,158
Total CO ₂ emissions 2014.....	11,467 ton CO ₂

KEY FIGURES



Decrease in emissions per employee (ton CO₂)



Increase in Gross Written Premium (SEK)

*Includes If's Nordic operations: Finland, Denmark, Norway and Sweden.

OUR MISSION

If offers attractively priced insurance solutions that provide customers with security and stability in their business operations, housing and daily life.

SERVICES

We offer an extensive range of insurance solutions and services, from personal car and home insurance cover to customized global insurance programs for international industrial enterprises.

ORGANIZATION

If is a property and casualty insurance company with an integrated Nordic business organization. The Nordic offices all share supporting functions such as IT, HR and Information. We are part of the Sampo Plc group which is listed on the Helsinki Stock Exchange. Our operations are separated by business areas such as Private, Commercial, Industrial, and Baltics.

In total, If's market share amounts to one fifth of the Nordic market. If is one of the leading insurance companies in Sweden, Norway and Finland, with market shares of 18%, 23% and 26% respectively. In Denmark, where the market is more fragmented, If is the fifth largest company with a market share of 6%. If also owns about 30% of Topdanmark, a Danish insurance company.

CORE VALUES

Easy to reach and relate to

It is easy to get in touch with If and its personnel. If's products and services are easy to understand

Dedicated

If takes initiative and cares about me

Reliable

If keeps its promises and helps me when needed

Forward-thinking

If is in the forefront of development and continuously creates new insurance products and services

TARGETS FOR 2014-2015

What we promised to do so far

LONG TERM TARGET	DEADLINE	STATUS		
		Working on	On schedule	Achieved
Reduce emissions of CO ₂ by 50% compared to 2008 levels by 2015	2015		✓	

SHORT TERM GOALS	DEADLINE	STATUS		
		Working on	On schedule	Achieved
Reduce total CO ₂ emissions by 12% by the end of 2014 compared to 2012 levels	2014			✓
Reduce CO ₂ emissions from energy consumption by 35% by the end of 2014 compared to 2012 levels	2014			✓
Reduce business travel and increase the percentage of video-based meetings	Ongoing		✓	
Screen all significant suppliers regarding If's environmental requirements	Ongoing	✓		
Continue to improve our ClimateWise ranking in order to become one of the 25% best performing insurance companies in Europe	Ongoing		✓	
Actively engage in environment and climate-related networks where If is a member.	Ongoing		✓	

ENVIRONMENTAL *management*

Our aim is to satisfy our customers by reducing our environmental impact and contributing to a sustainable future. Our Steering Group for the environment developed our environmental strategy in 2008. It defined our environmental policy and goals and established a basis for the approach to minimize our environmental impact. Our core values remain intrinsic to the strategies we develop to manage our environmental impact. Our approach is to minimize our environmental impact through increasing internal awareness and offering appropriate training and support.

VALUES AND PRINCIPLES *If's Core values*

Dedicated **ORGANIZATION**

The Steering Group establishes If's environmental strategy and overall goals. The Steering Group has 7 members, 3 of whom are members of If's executive board. Each member represents a different business area and country.

The Nordic Environmental Group is responsible for the management and follow-up of implementation of all the environmental measures regarding facilities and procurement.

Local Environmental Groups formulate local action plans and arrange activities for improving awareness of environmental issues. These groups are in place at most larger offices.

KEY

environmental **ISSUES**

- Climate change
- Environmental impact from claims handling
- Travel and meeting management
- Energy consumption
- Waste minimization
- Training and awareness

TOOLS AND POLICIES

- 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

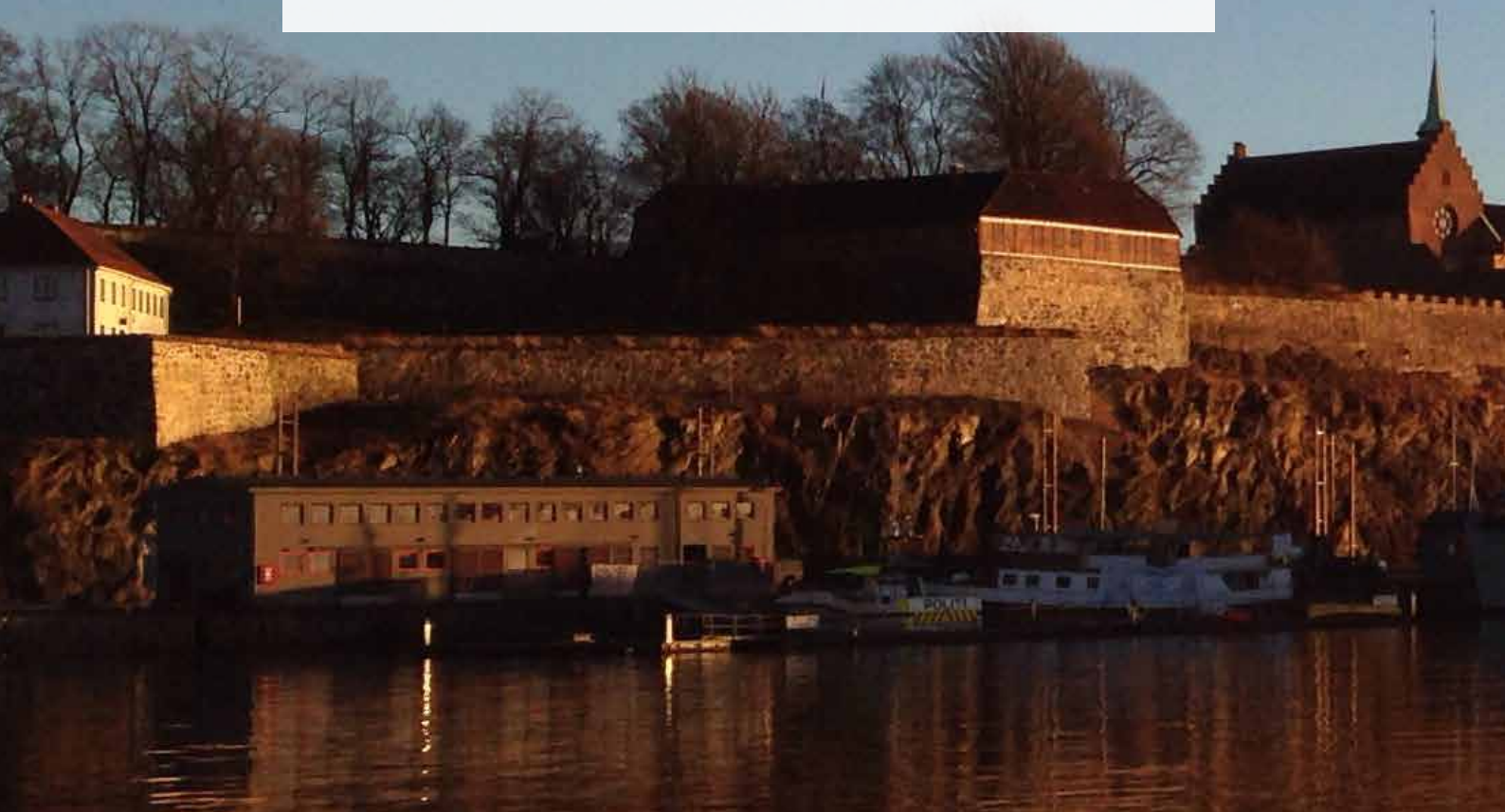
COMMUNICATION AND AWARENESS GROWING

- Employees – receive training in environmental issues, environmental days and campaigns
- Customers – environment-related activities in each country of operation, information on website
- Suppliers – dialogue during environmental assessments and communication regarding If's environmental goals and requirements
- Owners – environmental reporting, ClimateWise reporting
- External stakeholders – campaigns, funding research on climate change

OUR 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 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 loss prevention services in order to help our customers to 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 always provide information about environmental risks and participate actively in the public debate concerning climate change.



THIS IS IMPORTANT

to us

ACTIONS AND MEASURES

- Increase internal awareness of environmental issues and offer appropriate training and support as needed.
- Minimize waste arising from our operations and reuse and recycle waste when possible.
- Minimize the consumption of energy, water and raw materials in our operations and reuse and recycle when possible.
- Ensure that insurance claims are managed with minimal impact on the environment.
- Apply an environmental perspective to the development of our products and services, in order to ensure maximum advantage to our customers and other stakeholders.
- Promote environmental initiatives through our socially-focused activities.
- Ensure that all local, national and international regulatory obligations that pertain to our operations are fulfilled.





EMPLOYEES

“WE ALWAYS GIVE OUR STAFF THE OPPORTUNITY TO ACT IN AN ENVIRONMENTALLY-FRIENDLY WAY THROUGH THE PROVISION OF GUIDELINES AND SUPPORT”

There are over 6,000 people working at If, each one of them an environmental ambassador. It is our sincere hope that by increasing environmental awareness in the workplace our employees will make environmentally-conscious choices outside the office as well as at work. Because of our employees, we are able to create an organization where everyone works together to improve our environment and contribute to a sustainable future. In order to encourage and support our employees we provide them with guidelines and support as a way of encouraging environmentally-sound choices.

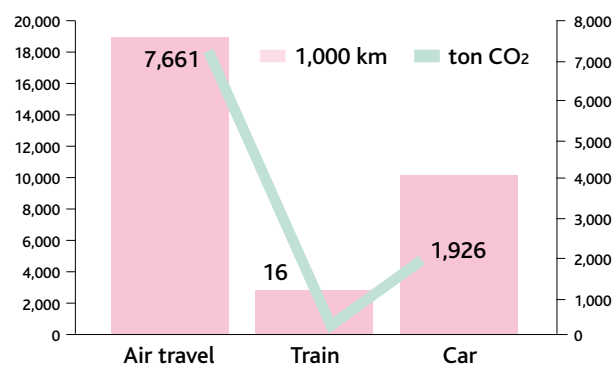
MEETING INSTEAD OF TRAVELING

Approximately a quarter of our managers' time is spent in meetings. These meetings are essential to the way we work. Around 55-60% of our communication is based on body language and being able to see the other person is vital to the quality of meet-

ings. This is why employees traditionally spend a lot of their time travelling. We believe that it does not have to be so. We have invested in online meeting solutions that are simple and preferred by our employees.

We have seen a rapidly growing interest in virtual meetings since they were introduced in 2003. Today, our Nordic offices have 85 rooms with video meeting facilities. User friendliness, clear guidelines and internal video support have contributed to the success. Almost 1,900 video meetings are held every month.

All employees have a fully integrated online chat and Live Meeting program on their computer. Being able to simultaneously converse and share presentations or other documents on our monitors constitutes an important feature that makes our online



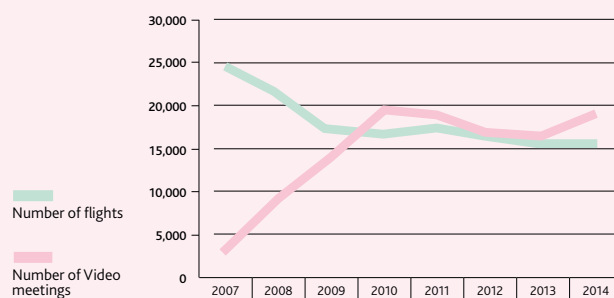
Travelled distance compared to CO₂ emissions

meetings a viable alternative to physical meetings. The many benefits of video and online meetings include time efficiency and improved work-life balance, reduced environmental impact and reduced costs. Our video meeting rooms are often fully booked, proving that our employees use the video meeting solutions.

Case: Activity-based meeting rooms

Despite an increase in video meetings, there are still many physical meetings that need to take place. If has introduced activity-based rooms that are chosen according to the purpose of the meeting and the need for facilities. In Copenhagen, activity-based meeting areas were introduced in 2013. There are smaller areas with tall tables for short meetings, rooms where the participants can write on the walls, and rooms with soft cushions and carpets for reflection etc.

Yearly Development of Flight Travel and Video Meetings If P&C, 2007 – 2014



Flights compared to video meetings

- The number of flights has decreased by 37% between 2007 and 2014
- Approximately 45% of all If employees have taken our e-learning course in environmental awareness
- We hold between 1,800 and 1,900 video meetings per month
- We have saved approximately 250,000 kWh electricity per year by reducing the number of servers.

FOCUSING ON TRAINING AND AWARENESS

As part of their induction into the company, all new employees are introduced to how environmental responsibility is integrated into If's processes and operations. We also offer all employees an e-learning course in environmental responsibility. Approximately 45% of employees have attended the course.

We have also developed an e-learning course for managers, focusing on how to make meetings more efficient and environmentally-friendly, including choosing the right type of meeting (physical, video, online) and defining responsibilities for meeting participants. Additional information on how we can reduce our environmental footprint at work and at home is available on our internal website and on posters in our offices. Members of Group Services environmental group have completed studies concerning environmental steering.

EMPLOYEE ENGAGEMENT THROUGH THEME WEEKS

We are convinced that environmental responsibility is everyone's responsibility. If has participated in the Earth Hour campaign since 2008 and we traditionally arrange theme weeks for employees that focus on environmental responsibility. Employees are given regular opportunities throughout the year to learn how to reduce paper and waste through simple measures. We have increased the amount of organic food served in our canteens and set up recycling stations for collecting second-hand clothing in the offices.

EVERY MAJOR OFFICE HAS AN ENVIRONMENTAL MANAGEMENT GROUP

Every larger If office with 100 employees or more has its own management group that focuses on

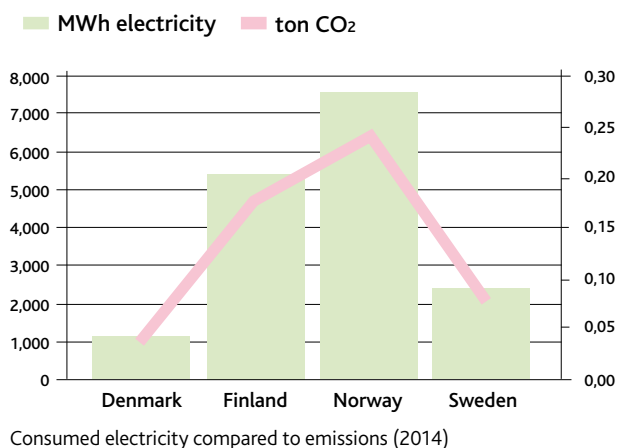
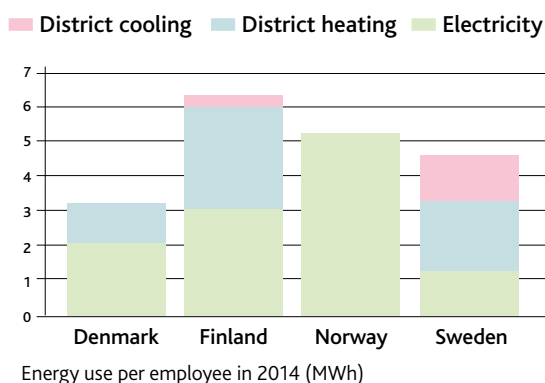
environmental issues to create an environmentally-sound workplace. Our aim is to make caring for the environment easy. If employees feel there are ways in which we can improve our environmental credentials, they are encouraged to put their ideas in our Suggestion Box or contact the local environmental group.

The local environmental groups develop the local environmental management plans, arrange theme weeks and implement the recommendations suggested by the employees. Common target areas in 2014 included e-learning courses, energy declarations, screening suppliers, energy saving, reducing paper use and green procurement. Furthermore, the local environmental groups form part of a larger network through which the members can collaborate.

OFFICE ENVIRONMENTAL MANAGEMENT PROGRAMS

Most of our larger offices have an environmental management program, specifying what we do to reduce the environmental impact of our operations; from green procurement and recycling to training and awareness. The environmental program in each office is developed and implemented by the local environmental groups.

The central part of the environmental management program is our action plan for improving energy efficiency in our offices. As part of this plan, we have moved to new, more energy-efficient buildings in Kuopio, Tampere, Stavanger, Tønsberg, Haugesund and Oslo. The Stavanger office is a so-called passive house, i.e. a specially-constructed building with significantly lower than average energy consumption. We have also reduced the size of our offices in current buildings, for example in Malmö and Stockholm, as a means to decrease energy consumption.



We have also mapped how well our different offices performed in terms of energy efficiency. Out of 28 large and medium-size Nordic offices, many fall into the E or F categories on a scale of A-G, where A means high energy efficiency and G means low energy efficiency. As a pilot case, we introduced energy efficiency measures in our office in Gothenburg in 2011. By the end of 2012, we had reduced energy consumption by 35% and we achieved a further 30% reduction in 2013. We are continuing this work by discussing with our landlords in other regions how we can find effective solutions for improving energy efficiency in our offices. Examples of energy-saving actions are investing in and upgrading ventilation systems, thermostatic control and LED lighting. E.g. the office in Copenhagen is steadily increasing its use of LEDs. To date, LEDs are installed in 30% of the office space, 30% of the lavatories and 100% of the basement.

Case: If has investigated use of solar panels

In 2013, If investigated the possible use of solar panels on the roof of its head office in Bergshamra. However, pre-studies showed that there was too little exposure to the sun for it to be efficient, and the pay-off period was estimated to be more than 20 years. The office in Copenhagen investigated the same possibility. It now has a business case with a pay-off period of 8 years, resulting in savings of up to 20,000 DKK per year.

Case: Green Office Finland

Our offices in Espoo and Turku, comprising 74% of our Finnish employees, participate in WWF's Green Office network. Green Office motivates office staff to act in an environmentally-friendly way with regard to everyday tasks and aims to improve environmental awareness and bring cost savings, benefiting both the members and the environment. For example, compared to 2013 levels, If's member offices have decreased their electricity use by 7% and their district heating use by 16%. 52% of the purchased office supplies were either eco-labelled or classified as environmentally-friendly and they used 193,000 fewer disposable paper cups than in 2013.

GREEN IT

Using modern technology and solutions in our IT systems improves functionality and facilitates reducing our environmental impact from business-related activities.

During 2014 we continued our work with reducing the number of servers, by offering "server hotel" functionality, thus reducing the number of physical servers by approximately 200. Through reducing the number of servers we have saved approximately 250,000 kWh electricity per year.

Another focus area has been to improve our video meeting solutions as part of a meeting management

EXAMPLES OF ACTIVITIES, WHICH DEMONSTRATES HOW WE MANAGE THE ENVIRONMENTAL FOOTPRINT OF OUR OFFICES:

- Local environmental groups
- Targets and action plan
- Environmental tips on the internal website
- Course in environmental responsibility at If
- Developed e-learning course for sorting waste
- Improved e-learning course for efficient meetings
- Video and online meeting solutions
- If is part of the industry organization CER's environmental group in Sundsvall, to share knowledge and create new initiatives in the area
- Earth Hour campaign and theme week
- Green procurement through the network Buy Ecolabelled
- New multi printer machines with "follow me" solution installed in all Nordic offices resulting in 20% fewer printers and decreased paper consumption
- Printers pre-set to double sided
- Reuse and recycling of electronic equipment
- Recycling and reducing mixed waste. Some offices have already removed all conventional bins and have only recycling stations (implementation is in progress)
- 50% of all purchased office equipment is either eco-labelled or labelled as environmentally-friendly
- All cleaning in Norway and Sweden is now Swan-labelled
- Our canteen in Sarpsborg was Swan-labelled in 2014
- Implementing energy efficiency measures in cooperation with our landlords
- Energy declarations, including action plans for 40 of If's largest offices
- Use of green electricity in all our offices in Denmark, Sweden, Norway and Finland
- If's office in Gothenburg was approved as a Green Building
- Moved to six energy-efficient buildings and improved energy efficiency in a number of offices
- Our Copenhagen office is certified as Breeam good, actions to reach a "very good" rating are under way

program. In addition, all users now have the possibility to make phone calls, have phone and video meetings directly on their PC. The easy-to-use approach and mobile app to access live phone meetings has made these solutions very popular.

While we are improving our IT systems we also work actively to reuse and recycle electronic equipment (computers, screens, phones etc.). During 2014 we recycled 3,000 kg of computers and have taken 1,000 computers back into use. At the same time we have had over 500 mobile phones repaired, and taken into use again. This represents an important measure towards reducing our environmental impact. To illustrate this, the production of one

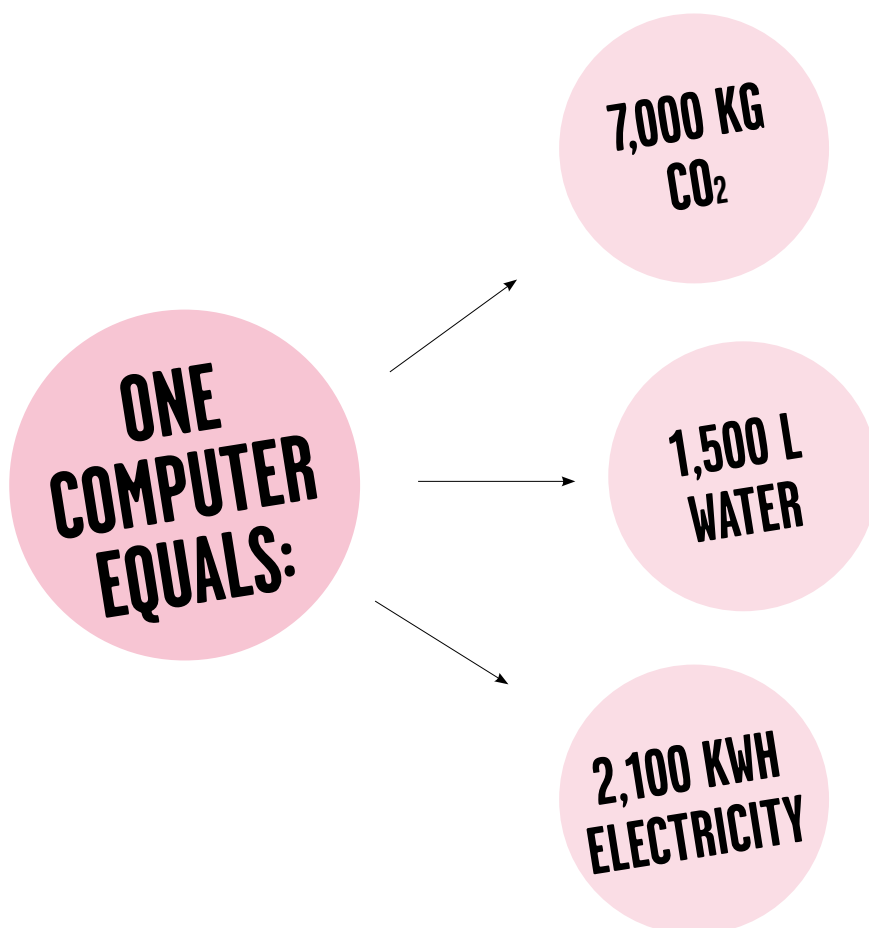
computer results in approximately 700 kg CO₂ emitted, 1,500 liters of water used and 2,100 kWh electricity used.

This year we have also taken active part in a bank- and insurance industry network for improving the sustainability component in IT purchasing.

During 2013 and 2014 we reduced our number of office printers and at the same time introduced more energy efficient multimachine printers with less environmental impact. The printers have a so-called “follow me” application that helps us measure paper and energy consumption.

IF RECYCLES 3,000 KG OF COMPUTERS EACH YEAR.

One computer equals:



CUSTOMERS

WE ARE DEVELOPING PRODUCTS, PROCESSES AND LOSS PREVENTION SERVICES IN ORDER TO HELP OUR CUSTOMERS TO ACT IN A MORE ENVIRONMENTALLY-FRIENDLY MANNER.

Risk, safety and protection are what we work with daily. We therefore know which solutions increase our customers' safety in the best way while reducing environmental impact. Our priority is to help our customers manage risk and provide assistance when accidents happen. By providing our customers with guidance on how to prevent damages we help them save money and protect the environment.

PREVENTION IS BETTER THAN CURE

Loss prevention is the most important issue we discuss with our customers. We also provide information on loss prevention on our website under "Advice and tips". This serves as the primary reference point for advice and documentation regarding loss prevention. Readers can find information on measures such as how to prevent fire, burglary and water damage at home. We also send loss prevention information to our customers in our regular mailings and insurance letters, encouraging them to read more on our website. It is not possible to measure how many accidents we have avoided thanks to our loss prevention activities, but we monitor how often people visit our loss prevention web page, watch our safety instruction films, download material and acquire safety products and services.

Furthermore, we offer house risk inspections to customers and actively promote the development of traffic safety, fire and crime prevention through own research and through our work in organizations such as Brandskyddsöreningen, Stölskyddsöreningen and Trygg Trafikk.

However, when an accident occurs, we focus our efforts on making the repairs as convenient and efficient as possible while mitigating the negative environmental impact. This means that we have implemented rigorous programs to reuse materials and serviceable parts in the repair process and require that our repair suppliers comply with stringent environmental performance standards.

WE TRY TO REUSE AND RECYCLE AS MUCH AS POSSIBLE FROM DAMAGED CARS

If handled about 550,000 damaged cars and 410,000 properties in 2014. Damaged materials and waste could have an adverse impact on the environment if not managed correctly. Over the course of the year, we continued our work with the policy program focusing on reuse and minimization of waste. Our goals are to increase recycling and to reuse undamaged parts instead of disposing of them.

	Plastic parts	Metal parts		Total Ton
	Plastic repairs Ton	Used parts Ton	Alignment Ton	
2007	148	761	2,365	3,273
2008	164	791	2,301	3,256
2009	169	876	2,161	3,260
2010	171	817	2,313	3,301
2011	178	745	2,302	3,225
2012	189	806	2,151	3,146
2013	194	823	2,301	3,318
2014	190	843	2,190	3,223

Motor: Reused plastic and metal parts

1 Did you know?

Many of our customers still prefer to receive their insurance information on paper by post. In order to reduce the environmental impact from this process we began an initiative in Norway; printing post on paper rolls instead of A4 sheets. This reduces the amount of waste and improves the logistics. We are currently evaluating how to implement this in other countries.

2 Did you know?

25 tons is the amount of CO₂ emitted on average from a household fire.
300 kg is the amount of CO₂ emitted due to water damage. This is the most common damage in our homes and is preventable in the vast majority of cases.

Source: Insurance Sweden

3 Did you know?

In 2014, we recycled approximately 1,500 tons of waste from damaged property in Norway. This contributes to roughly 500 tons of avoided CO₂ emissions.

4 Did you know?

Since 2008, If has published a professional magazine on risk management and loss prevention called 'Risk Consulting'. This magazine is distributed to various subscribers and is available online.



Currently the major challenge is to increase the level of customer awareness. We still need to put a lot of effort into explaining why it is better to reuse undamaged spare parts rather than replace them with brand new parts. One argument is that using brand new parts to repair a car creates additional CO₂ emissions that could otherwise be avoided.

We take our environmental responsibility seriously and require that the contractors who repair damaged vehicles comply with high standards regarding the reuse of undamaged spare parts. We are also strict about monitoring the contractors' compliance. We have a similar policy program to increase the recycling of materials from damaged property and we monitor and review how well waste has been sorted from damaged sites.

E-INSURANCE

The e-insurance services combine environmental thinking with a modern approach to communication and customer satisfaction. We have been using e-invoices since 2001 and have been sending offers via e-mail instead of on paper to our customers since 2004. Since the autumn of 2011, If has been providing online services to our private customers.

E-insurance helps to cut down on paper consumption and enables customers to access their documents on their laptops and smart phones. Using a simple log-in system, customers can access a complete overview of their insurance matters, any-time and anywhere. What's more, they can order e-invoices, adjust payment preferences and sign new agreements online.

Since the autumn of 2011, our customers in Norway have been able to use Europe's first virtual customer service center. This eCustomer center located in Vækerø is available to anyone who would like to buy insurance or ask for advice regarding insurance services. The eCustomer center is a part of our goal to use modern technology to interact with customers wherever they are.

As part of If's overall digitalization of communication, If Denmark uses E-box as an electronic mailbox to communicate with its customers. Today, about 100,000 If customers in Denmark use E-box. The plan is to further implement electronic post-boxes in the other Nordic countries.



Case: To use instead of own

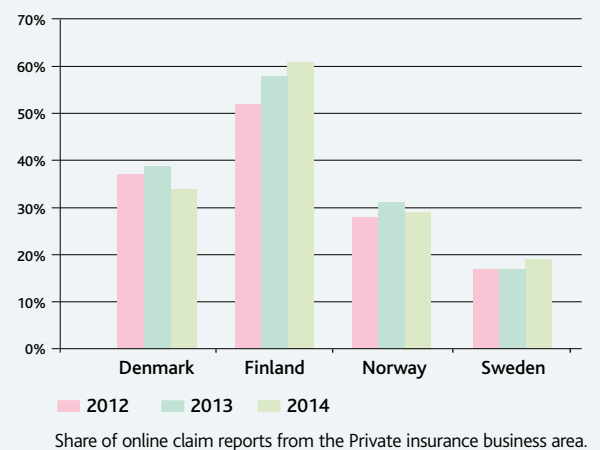
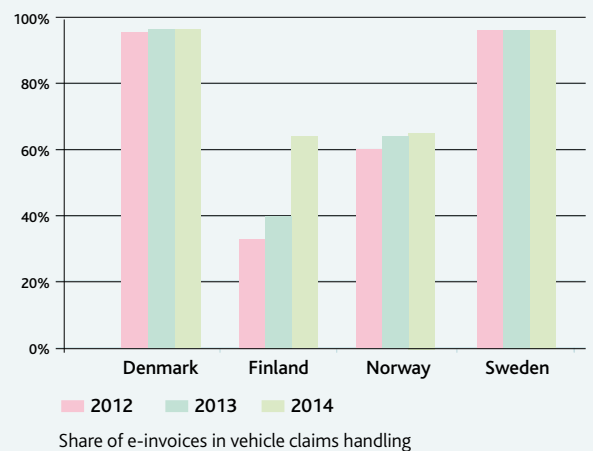
We offer our customers the opportunity to rent a child safety seat from us instead of buying one. Our child safety seat package includes all three seats that your child needs. As your child grows, so do the seats, ensuring that he or she always has a size and age-appropriate seat. By renting a child safety seat, customers contribute to the reuse of equipment that would otherwise become quickly useless as the child grows. However, we have many challenges to further improve the environmental benefits of this offer; we need to reduce the environmental impact of shipping and production.

Case: Insurance product for liabilities

With our introduction of an insurance product for liabilities in Denmark this is now available in all countries. The company insurance product addresses damage to the natural environment and is based on the Norwegian Nature Conservation Act

Case: Fire week in Norway

For the twelfth consecutive year, Norsk brannvernforening, If Skadeforsikring and Direktoratet for samfunnssikkerhet och beredskap (DSB) held a fire protection week event in September, engaging almost 622,000 participants. An open day was arranged at more than 350 fire stations, with If represented at 75 of these, which was a significant 30% increase on last year.





SUPPLIERS

WE ENCOURAGE AND SUPPORT OUR SUPPLIERS AND PARTNERS IN THEIR EFFORTS TO USE MORE ENVIRONMENTALLY-FRIENDLY METHODS IN THEIR OPERATIONS.

Together with our suppliers, we handle approximately 550,000 cases of car damage and 410,000 cases of property damage each year. Our choice of suppliers has a greater impact on the environment than you might imagine. Through strict environmental requirements and collaboration with our suppliers, we can generate synergies that contribute to mutual success and environmental benefits. Our aim is to ensure that the products we use and every damage claim we handle make the least possible impact on the environment.

ENVIRONMENTAL RESPONSIBILITY IN SUPPLY CHAIN AND PROCUREMENT PRACTICES

Our procurement policy and principles form the basis for our work with environmental responsibility in our supply chain and in contractual practices. We have established clear principles for selecting products. To ensure that all products comply with our requirements, we regularly assess our suppliers

and contractors. Everyone involved in a procurement process must take relevant environmental aspects into consideration in the decision-making process.

We prioritize environmentally-sound alternatives and take the entire life cycle of a product into consideration. In addition, products and services that are certified according to existing ecolabel criteria or a management system should be preferred. The type of ecolabel that is accepted may vary depending on the product category. If there is no ecolabel for a specific product category, we apply product environmental guidelines from national authorities e.g. The Swedish Society for Nature Conservation.

Case: Buy Ecolabelled

Buy Ecolabelled is a business network under the Nordic Ecolabel promoting environmentally-sound production and consumption. The network focuses on guidance,



OUR PROCUREMENT POLICY

A product that meets most of the following criterions should be preferred:

- Sustainable and possible to repair.
- Energy efficient.
- Recyclable.
- Produces a minimal amount of waste.
- Carries an ecolabel or environmental certification.

CONCERNING SUPPLIER SELECTION AND CONTRACTS, THE FOLLOWING PRINCIPLES HAVE BEEN ADOPTED:

- We apply a defined method for evaluating the significance of environmental aspects in every procurement process.
- All significant suppliers are required to have implemented an environmental policy.
- An environmental clause regarding our environmental goals is included in all significant supplier contracts.

sharing ideas and connecting companies that want to reduce their environmental impact from purchased products and services. Membership in the network has helped us to implement our procurement policy and improve the practice.

If in Sweden and Norway have been members of the local networks since 2010. The network is actually so useful that when we discovered in 2011 that it was not established in Denmark and Finland, we applied to become the first member in order to help establish the local networks. The networks in Denmark and Finland were launched in 2012. We have been involved in a number of coordinated activities with the Swan label in various cities. These activities have included information meetings and environmental days.

Case: ISS

Our main supplier of cleaning services in Norway in Sweden has been awarded the Nordic Ecolabel accreditation.

CONTRACTORS

Our priority is to ensure that waste and materials

from repair processes are managed in the best possible way. We therefore place high environmental and health-related requirements on our contractors who carry out repairs that we follow up. We also insist on very close and transparent cooperation.

PROPERTY REPAIRS

We collaborate with approximately 450 contractors in order to ensure fast claims handling for our customers. Contractors handle If's first inspection at the accident site. Thorough process documentation and high process quality are essential to ensure that our customers' claims are handled correctly. Since 2012, we have been using a project process tool (In4mo) for all our contractors. This web-based communication tool can be accessed through mobile phones or tablets, giving the claims handler immediate access to all the necessary information. This tool ensures an efficient and streamlined process for property damage claims handling at every stage and enables all contractors to comply with our

process requirements. By not being dependent on an office, each contractor now averages one more customer meeting per day. It also means that information reaches If's claims handler faster and the overall processing time is shorter. The system helps speed up the handling process for each customer and minimizes travel and paper consumption, which adds up to a smaller carbon footprint.

In 2014, we continued to increase recycling and to reduce the amount of mixed waste from property repairs. In terms of sustainable development, waste minimization is probably the most important issue. We therefore aim to take an active role in ensuring that our contractors minimize waste from repairs. In order to reduce adverse environmental effects, we have focused on improving waste transportation and introduced lighter containers and alternative solutions such as industrial bags in densely populated areas.

When it comes to rebuilding, we strive to use proper environmental materials. Each partner has to follow If's guidelines for waste material separation as well as strict national legislation regarding construction.

OUR REQUIREMENTS ON CONTRACTORS IN PROPERTY REPAIRS

- Follow an environmental policy and all necessary legal permission.
- Follow our environmental policy.
- An environmental plan and environmental manager for each repair assignment.
- Process documentation and reporting through our project documentation tool In4mo.
- Waste from repairs is sorted and recycled.
- Use If's recommended supplier of waste management services in respective countries.

OUR REQUIREMENTS ON CONTRACTORS IN VEHICLE REPAIRS AND DISMANTLING

- Environmental and quality management system according to ISO 9001 and ISO14001.
- Report compliance with the European Commission's directive regarding prevention of waste from end-of-life vehicles (ELV Directive).
- Follow If's environmental policy.
- Efficient transportation of vehicles and spare parts.
- Documentation of repair processes and methods, through the repair calculation systems Cabas, DBS and Autotaks.
- Report the amount of reused and recycled parts.

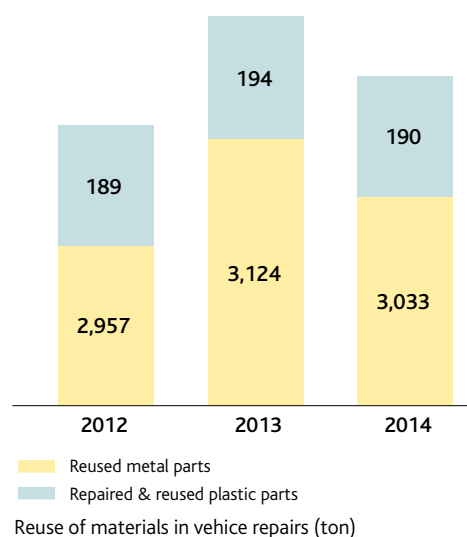
VEHICLE REPAIRS

We are continuously seeking ways to use modern communication technologies in our operations to avoid unnecessary travel. The process of vehicle claims is almost completely remote. In addition, all of our vehicle claims inspection employees have completed eco-driving courses. We have stringent environmental requirements for our vehicle repair and property repair contractors. We require spare parts to be reused and recycled and follow-ups to be conducted monthly regarding the amount of undamaged parts that are reused and the quantity of repaired plastic parts for reuse. Instead of using brand new spare parts, we reuse thousands of tons of plastic and metal each year. Together with our contractors we have created synergies regarding what is possible, which techniques work best and how to create efficient logistics for the collection and distribution of used spare parts.

Case: Minimizing waste project

In 2012-2013, If was part of a reuse project with Swedish Car Recyclers Association, Swedish Transport Sector Association, Bilretur Car Recycling, Stena Recycling and Laga (web shop for used spare parts) to reduce waste from vehicle repairs and increase the reuse of high-quality spare parts. The project has now become a permanent initiative called Rep Dels Returen, supported by the actors of the projects.

The purpose is to reuse more plastic parts, which are often removed and discarded by workshops that dismantle end-of-life vehicles, instead of using brand new parts. This is beneficial from both an environmental and economic point of view. It also helps to generate employment since workshops can charge for repairing the plastic parts. Most important of all, the repair technology that is currently available results in high-quality end products.



CLIMATE CHANGE

WE ALWAYS PROVIDE INFORMATION ABOUT ENVIRONMENTAL RISKS AND PARTICIPATE ACTIVELY IN THE PUBLIC DEBATE CONCERNING CLIMATE CHANGE.

Climate change is a global environmental challenge. The World Bank stated in its recent research report that a 4 degree increase in the average world temperatures is likely to occur by the end of the century. This would mean catastrophic environmental, social and economic consequences for society and the insurance industry. Our aim is therefore to be a frontrunner in the management of risks from climate change. We believe that in order to achieve credibility in the marketplace, we must also “walk the talk” and minimize the CO₂ emissions from our own activities.

CLIMATE IMPACT ACCOUNTING

The total amount of direct and indirect CO₂ from Nordic operations in 2014 was 11,467 tons, which is three percent lower than the 2013 level (11,793 tons CO₂). See page 28 for detailed results. Purchased energy contributes to 15% and business travel (air, train and car) to 85% of our total measured impact. The total emissions from business travel were 9,760 tons of CO₂ (9,701 tons of CO₂, in 2013). Of all the means of transportation we use, air travel has the largest impact per travelled kilometer, which makes it the most significant source of emissions. We follow the Greenhouse Gas Protocol guidelines in our climate impact accounting.

OUR ACTIONS

Our offices in the Nordic countries participate actively in the local debate on climate change and its consequences. Our activities and commitment to reduce CO₂ emissions and mitigate climate change are divided into six categories, according to the six principles of ClimateWise;

- Lead in risk analysis,
- Inform public policy making,

- Support climate awareness among customers,
- Incorporate climate change into investment strategies,
- Reduce climate impact from our business, and
- Report our impact and actions.

RESEARCH

We are always seeking new ways to combat climate change. In 2012, we entered into a research partnership to support research into increasing Nordic homeowners’ adaptive capacity to climate change. A website was launched during the autumn of 2014 under the umbrella of this project. The partnership comprised three insurance companies, If and an advisory group. The CEO from each participating insurance provider was active in signing the project. The project has two objectives; the analysis of claims data to identify insurance-relevant climate change impacts and vulnerability, and the development of a web-based visualization tool for lay people and professionals.

- We have decreased our emissions by 44% since 2008.
- In 2015, If offset 11,467 tons through a Gold Standard VER project.
- 100 percent of all electricity purchased by If comes from renewable resources.

¹ The World Bank (2012) Turn down the heat – why a 4°C warmer world must be avoided.



CARBON OFFSET

Since 2011, all CO₂ emissions arising from our own operations have been offset. In 2014, we offset 11,467 tons of CO₂ emissions through a Gold Standard VER project called Envirofit India.

Over 60% of the population of India uses firewood for cooking. As a result, millions of women and children are exposed to toxic emissions on a daily basis. It is estimated that household air pollution causes approximately 500,000 premature deaths per year. In addition, the high dependency on firewood is one of the main drivers of deforestation in India. Over 13 million hectares of forest are lost every year. This leads to significant losses of a vital carbon sink and biodiversity.

The Envirofit cookstove reduces the amount of toxic emissions by 80% and the fuel requirement by 60%. This drastically improves the standard of living for the women and children. Alongside the health benefits, the children can spend less time collecting firewood and more time in education. The project helps to slow down the rate of deforestation, as 1.8 million trees are saved each year. The reduction in emissions from one cookstove per year (1.3-1.9 tons CO₂) is equivalent to a 10,000 km car journey.

Collaborating with Envirofit enables us to support the distribution of thousands of energy-efficient cookstoves and make a difference for families in India and the global climate. Our ambition is to take a global responsibility and continue to fund carbon offset projects over the coming years.

The Gold Standard projects enable global collaboration in funding and implementing emission-reduction projects in developing countries. These projects

in developing countries reduce CO₂ emissions and generate so-called verified (VER) or certified (CER) emission reduction credits, each equivalent to one ton of CO₂. Those that purchase such credits fund these emission reduction projects. Without the emission reduction credits, the projects would not be financially feasible. Companies that purchase the verified or certified emission reduction credits thus use what is known as carbon offsets.

Case: Green bond a climate-related investment

If participated in an investment initiative whereby the City of Gothenburg borrowed 500 MSEK in a so-called "green bond". Green bonds offer the same yield as other investments with similar conditions. Since the investment is earmarked for environmental purposes, investment in these bonds also contributes to a better environment and greater awareness of climate-related challenges and solutions. The Green Bond concept was developed in 2007/2008 by SEB and the World Bank as a response to increased investor demand for engagement in climate-related opportunities.



Case: Damage data input for area planning

If is involved in a project initiated by FNO, Finance Norway, where damage data is collected from specific municipalities. The purpose is to test how damage data can help municipalities when planning new areas and water and draining systems. Moreover, insurance companies in Denmark, including If, have been sharing damage data for seven consecutive years to 70% of Danish municipalities.

Case: Strengthen energy expertise in the construction industry

In 2013, If Norway joined the "Build Up Skills" project, whose purpose is to produce training material for craftsmen in the construction industry in order to support the development of expertise in energy efficiency and in the use of renewable energy in the industry.

EXAMPLES OF INITIATIVES AND MEMBERSHIPS

<p><i>The Corporate Climate Communiqué</i></p> 	<p><i>Network for climate neutral companies</i></p> 	<p><i>ClimateWise</i></p> 
<p><i>Buy Ecolabelled green procurement network</i></p> 	<p><i>WWF i Finland</i></p> 	<p><i>Earth hour</i></p> 
<p><i>Naering for klima</i></p> 	<p><i>BSAG</i></p> 	<p><i>Nätverk Hållbar IT (Sweden)</i></p> 
<p><i>Klimatpakten (Sweden)</i></p> 	<p><i>Klimaløftet (Norway)</i></p> 	<p><i>Energy saving week (Finland)</i></p> 

If CO₂ emissions summary 2013-2014 by scope

Scope 1 (direct fuel consumption and emissions by type)					
	2013		2014		Change in emissions (%)
	Consumption (m ³)	Emissions (tons CO ₂)	Consumption (m ³)	Emissions (tons CO ₂)	
Petrol	10	24	12	27	12%
Diesel	58	150	51	131	-13%
Biogas	0	0	0	0	-100%
Natural gas	0	1	0	0	-100%
Ethanol E85	1	0	-	-	-100%
Sum	70	176	63	158	-10%

Scope 2 (indirect energy consumption and emissions by type)					
	2013		2014		Change in emissions (%)
	Consumption (MWh)	Emissions (tons CO ₂)	Consumption (MWh)	Emissions (tons CO ₂)	
Electricity	16,948	1	16,427	1	-52%
District heating	11,069	2,005	9,401	1,604	-20%
District cooling	2,245	52	3,042	71	36%
Sum	30,262	2,058	28,870	1,675	-19%

Scope 3 (other indirect emission sources)					
	2013		2014		Change in emissions (%)
	Use	Emissions (tons CO ₂)	Use	Emissions (tons CO ₂)	
Business air travel (km)	17,354,185	7,519	19,011,697	7,660	2%
Business train travel (km)	4,599,932	38	3,009,642	16	-57%
Business car travel (km)	10,286,730	1,968	10,030,145	1,926	-2%
<i>Petrol (km)</i>	<i>3,620,533</i>	<i>741</i>	<i>3,571,800</i>	<i>731</i>	<i>-1%</i>
<i>Diesel (km)</i>	<i>5,954,506</i>	<i>1,166</i>	<i>5,836,748</i>	<i>1,143</i>	<i>-2%</i>
<i>Ethanol (km)</i>	<i>385,690</i>	<i>23</i>	<i>332,900</i>	<i>20</i>	<i>-13%</i>
<i>Biogas (km)</i>	<i>174,008</i>	<i>2</i>	<i>62,354</i>	<i>2</i>	<i>15%</i>
<i>Natural gas (km)</i>	<i>41,714</i>	<i>6</i>	<i>62,354</i>	<i>9</i>	<i>55%</i>
<i>Electric hybrid (km)</i>	<i>41,714</i>	<i>23</i>	<i>163,989</i>	<i>20</i>	<i>-12%</i>
Copy paper use (ton)	114	34	107	32	-6%
Sum	-	9,559		9,634	1%
Total emissions, Scope 1, 2, and 3 (tons CO ₂)		11,793		11,467	-3%

If CO₂ sources and emissions by country and scope 2014

	Denmark	Finland	Norway	Sweden	Sum	Denmark	Finland	Norway	Sweden	Sum
Scope 1 (direct fuel consumption by type, m ³)						Scope 1 emissions (tons CO ₂)				
Petrol	5	4	0	3	12	13	8	0	6	27
Diesel	18	7	2	24	51	48	17	6	60	131
Natural gas	-	-	-	0	0	-	-	-	-	0
Biogas	-	-	-	0	0	-	-	-	-	0
Ethanol	-	-	-	-	-	-	-	-	-	-
Sum	24	10	2	27	63	61	26	6	66	158

	Denmark	Finland	Norway	Sweden	Sum	Denmark	Finland	Norway	Sweden	Sum
Scope 2 (indirect energy consumption, MWh)						Scope 2 emissions (tons CO ₂)				
Electricity (MWh)	1,100	5,426	7,558	2,343	16,427	0	0	0	0	1
District heating (MWh)	569	5,266	-	3,566	9,401	86	1,234	-	283	1,604
District cooling (MWh)	-	639	-	2,403	3,042	-	15	-	56	71
Sum	1,669	11,331	7,558	8,312	28,870	86	1,249	0	339	1,675

	Denmark	Finland	Norway	Sweden	Sum	Denmark	Finland	Norway	Sweden	Sum
Scope 3 (other indirect emission sources)						Scope 3 emissions (tons CO ₂)				
Air (km)	1,529,925	4,285,894	6,663,695	6,532,183	19,011,697	633	1,677	2,762	2,588	7,660
Train (km)	21,780	1,236,361	546,480	1,205,021	3,009,642	1	15	0	0	16
Total taxi & personal car (km)	704,347	3,110,480	2,637,382	3,557,937	10,030,145	142	624	533	627	1,926
--Petrol	351,937	1,096,616	935,038	1,188,209	3,571,800	73	227	194	238	731
--Diesel	352,398	2,013,377	1,701,405	1,749,569	5,836,748	69	397	339	338	1,143
--Ethanol	12	487	938	331,463	332,900	0	0	0	20	20
--Biogas				163,989	163,989				2	2
--Natural gas				62,354	62,354				9	9
--Electric hybrid				62,354	62,354				20	20
Copying paper (ton)	15	35	30	27	107	5	11	9	8	32
Sum										9,634
Total emissions, Scope 1, 2, and 3 (tons CO ₂)						147	1,275	6	405	11,467

Water consumption by country

2013	Denmark	Finland	Norway	Sweden	Sum
Water consumption (m³)	3,285	15,483	14,246	14,057	47,071
2014	Denmark	Finland	Norway	Sweden	Sum
Water consumption (m³)	3,432	15,282	10,013	14,675	43,402
Change in water consumption (%)	4%	-1%	-30%	4%	-8%

Paper and printed materials by weight by country

2013	Denmark	Finland	Norway	Sweden	Sum
Copying paper	13	40	30	31	114
Printed material	22	85	145	70	322
Marketing material	-	155	45	122	322
Sum (tons)	35	280	220	223	758
2014					
Copying paper	15	35	30	27	107
Printed material	19	94	115	67	295
Marketing material	34	124	33	122	313
Sum (tons)	68	253	178	216	715

Produced and recycled waste by country

2013	Denmark	Finland	Norway	Sweden	Sum
Recycled and/or reused (tons)					
Mixed waste	-	25	0	0	25
Paper and cardboard	-	112	147	81	340
Waste IT products	-	3	1	0	4
Domestic waste (bio)	-	44	33	13	90
Metal, glass	-	12	5	2	19
2014					
Mixed waste	-	50	-	0	50
Paper and cardboard	-	120	72	83	275
Waste IT products	-	2	2	0	4
Domestic waste (bio)	-	42	79	13	134
Metal, glass	-	5	-	2	7



If P&C Insurance
Drammensveien 264
0283 Oslo, Norway
Phone: + 47 93403546
Mail: ole.evensen@if.no

