

If Environmental Report *2015*



Relax, we'll help you.



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About THIS REPORT

This is If's 7th annual environmental report in which we summarize If's environmental footprint and performance. The reporting period is 1 January 2015 – 31 December 2015. The information in this report covers If's 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-burning stoves plays an important role. Many homes in the world use traditional three-stone fires for cooking. It is the equivalent of burning 400 cigarettes an hour and releases toxic smoke and emissions inside the home. These mostly affect women and children. In Tanzania, some 19,000 people die from heart disease, cancer and lung problems every year, as a result of inhaling the fine particles in the smoke emitted from poor-quality stoves. Most of them are women and children.

It is estimated that 525,000 trees have been saved that would otherwise have been used as fuel in the old stoves.

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If's HIGHLIGHTS *over the years*

2008

- If's environmental strategy was developed
- If's environmental policy was developed

2009

- 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

2010

- Completed the tasks on the 100 environmental action points list
- Start of If's green procurement program, If in Sweden and Norway became members of Buy Ecolabelled Network
- Launched environmental training for all new employees
- Published If's first environmental report summarizing activities and performance 2008-2009

2011

- 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

2012

- 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 If's office in Gothenburg
- Turku office was certified as WWF Finland Green Office

2013

- 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 introduced the insurance in autumn 2014. Norway introduced the insurance in late 2012

2014

- 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%

2015

- If was voted Member of the Year in the Danish Swan network "Netværk for Miljømarkedet Indkøb"
- Continued to improve If's ClimateWise score. This year by 7% points, placing us 9th in the overall ranking
- The Head office in Oslo, Norway, achieved "Miljøfyrtårn" certification
- If arranged climate conferences for both public and private customers
- If became the insurance provider for Nabobil, no - Norway's largest car pooling operator



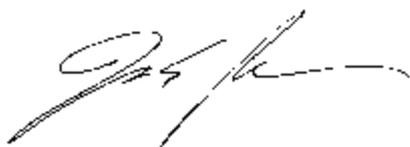
CEO *message*

2015 was a landmark year in the global fight against climate change. As a result of the UN Climate Change Conference in Paris, nearly every country in the world will commit to reducing carbon emissions. The Paris agreement gives us reason to be optimistic about the future of our planet. But the work has just begun. To tackle these challenges we must continue to engage everyone, from private citizens to business leaders and politicians.

As an insurance provider, we are experienced in risk management and evaluation. Our industry provides early indicators of the consequences of environmental impacts in general and climate change in particular. The unpredictability of severe weather events during the past decades has affected us substantially. The global industry payouts for weather-related claims have surged since the 1980s and are likely to increase further. Fortunately, awareness is steadily growing and this year we saw an encouraging level of engagement from many different communities.

This is our 7th environmental report. Since our first report, our aim has been to provide our stakeholders with accessible and transparent information about our environmental practices, challenges and achievements. We can proudly say that we have accomplished a great deal in these few years, reducing our impacts and increasing our offering of environmentally conscious products and services.

This report presents our past and future environmental achievements and strategies. We will continue our commitment to promoting a sustainable future and hope to encourage and inspire others to do the same.



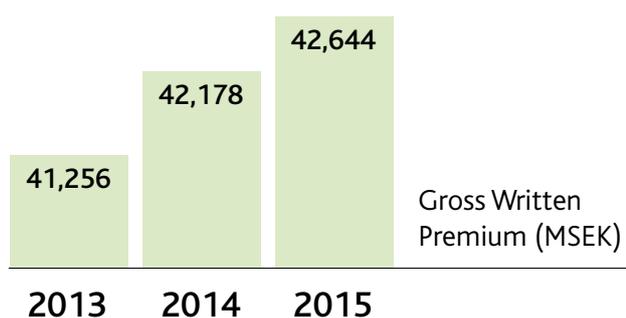
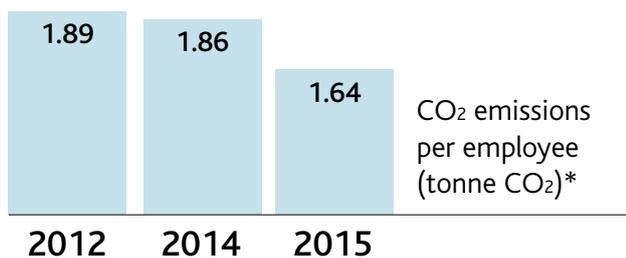
Torbjörn Magnusson
CEO, If P&C Insurance AB



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 solutions for individuals, businesses and international industrial enterprises
Number of customers.....	3.7 million
Number of employees.....	6,176
Total CO ₂ emissions 2015.....	9,004 tonnes

Key figures



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

If's mission

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

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 the 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

Services

If offers 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. If's 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 33% of Topdanmark, a Danish insurance company.

TARGETS

What we've promised to do

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

ANNUAL TARGETS	DEADLINE	STATUS		
		Working on	On schedule	Achieved
Reduce number of flights by 5%	2016	✓		
Reduce indirect energy consumption by 3%	2016	✓		
Reduce paper consumption by 10%	2016	✓		

ONGOING TARGETS	DEADLINE	STATUS		
		Working on	On schedule	Achieved
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 If's ClimateWise ranking in order to become one of the 25% best-performing insurance companies in Europe	Ongoing		✓	

ENVIRONMENTAL *management*

If's 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

Dedicated **ORGANIZATION**

If's 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

The background of the page is an underwater scene. On the right side, a diver is visible in silhouette, holding a flashlight that illuminates the dark water. The water has a blue-green tint, and there are some bubbles or light reflections visible. The overall mood is serene and focused on nature.

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 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.



CUSTOMERS

We are developing products, processes and loss prevention services in order to help If's customers to act in a more environmentally-friendly manner.

We work with risk, safety and protection on a daily basis and therefore know which solutions both increase If's customers' safety in the best way and minimize environmental impacts. If's priority is to help If's customers manage risk and provide assistance when accidents happen. By providing If's customers with guidance on how to prevent losses, we help them save money and protect the environment.

Prevention is better than cure

Loss prevention is the most important issue we discuss with If's customers. We provide information on If's 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. It is not possible to measure how many claims we have avoided thanks to If's loss prevention activities, but we monitor how often people visit If's loss preven-

tion web page, watch If's 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 If's work in organizations such as Brandskyddsföreningen, Stöldskyddsföreningen and Trygg Trafikk.

However, when a loss occurs, we focus If's efforts on making the repairs as convenient and efficient as possible while mitigating the negative environmental impact. We have implemented rigorous programs to reuse materials and serviceable parts in the repair process and require that If's repair suppliers comply with stringent environmental performance standards.



	Plastic parts	Metal parts		Total Ton
	Plastic repairs Ton	Used parts Ton	Alignment Ton	
2007	148	761	2,365	3,274
2008	164	791	2,301	3,256
2009	169	876	2,161	3,206
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
2015	180	795	2,057	3,032

Motor: Reused plastic and metal parts

We try to reuse and recycle as much as possible from damaged cars

If handled about 525,000 damaged cars and 400,000 properties in 2015. Damaged materials and waste could have an adverse impact on the environment if not managed correctly. Over the course of the year, we continued If's work with the policy program focusing on reuse and minimization of waste. If's goals are to increase recycling and to reuse undamaged parts instead of disposing of them.

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 If's environmental responsibility seriously

1 Did you know?

25 tonnes 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 If's homes and is preventable in the vast majority of cases.

Source: Insurance Sweden

2 Did you know?

In 2015, we recycled approximately 1,500 tonnes of waste from damaged property in Norway. This contributes to roughly 500 tonnes of avoided CO₂ emissions.

3 Did you know?

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

Case: Nabobil car pooling

In 2015, If entered the sharing economy by becoming the insurance provider for Nabobil.no, Norway's largest car-pooling operator. Car pooling is interesting from an environmental perspective as it reduces the number of privately-owned cars on the roads. One shared car can replace up to 10 privately-owned cars, which results in a significant reduction in environmental emissions and noise pollution.

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 If's customers since 2004. Since the autumn of 2011, If has been providing online services to If's private customers. In Private, the number of eCustomers increased by 38% during 2015.

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, anytime and anywhere. What's more, they can order e-invoices, adjust payment preferences and sign new agreements online.

As part of If's overall digitalization of communication, If Denmark uses E-box as an electronic post-box to communicate with its customers. The plan is to increase electronic communication further in all the Nordic countries.

Case: To use instead of own

We offer If's customers the opportunity to rent a child safety seat from us instead of buying one. If's 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 still have 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 If's 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

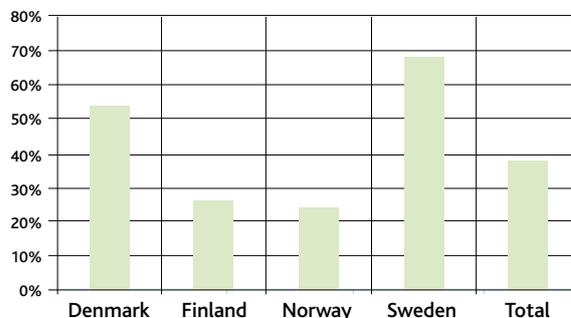
Case: Fire week in Norway

For the eleventh consecutive year, Norsk brannvernforening, If Skadeforsikring and Direktoratet for samfunnssikkerhet och beredskap (DSB) held a fire protection week event

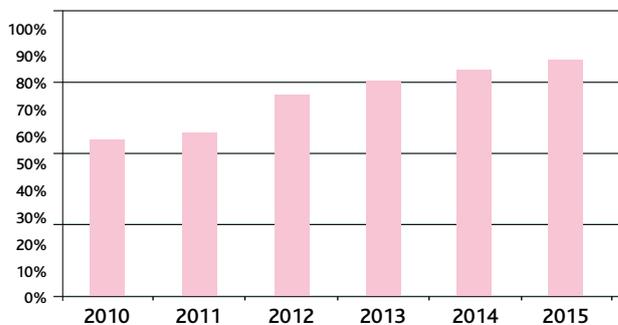
in September, engaging 200,000 participants. Over 330 towns and cities invited the public to participate in open days at their local fire stations. In addition, a record number of 575,000 Norwegians participated in the Nasjonal brannøvelse, an event to improve fire safety in schools, day care centers, public institutions, offices and private homes.

Case: Increased web presence in Norway

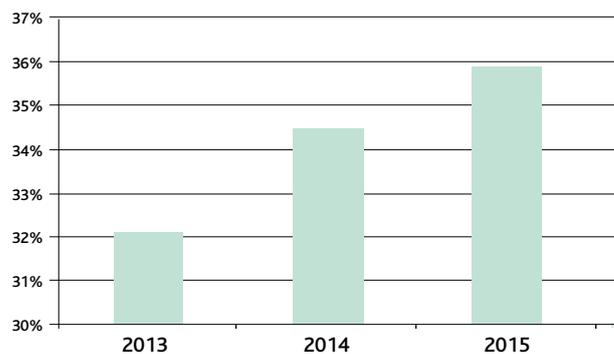
In 2015, If increased its web presence in Norway. We launched new product sites, introduced "Mine Sider" for If's Norwegian customers and started web-shops for insurance solutions for boats, cottages, If start and pensions. If's traffic increased by 22%.



Increase in number of eCustomers 2014-2015



Percentage of e-invoices in vehicle claims handling



Percentage of online claim reports from the Private insurance business area at a Nordic level

EMPLOYEES

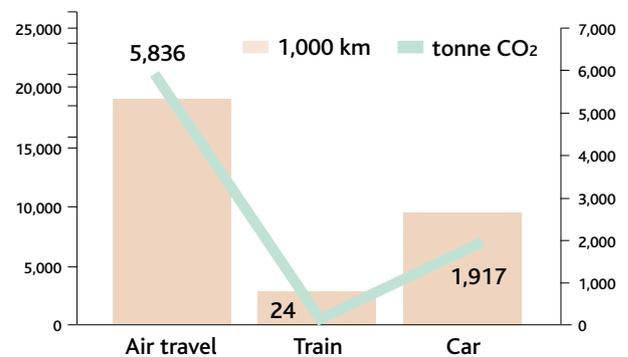
“We always give If’s staff the opportunity to act in an environmentally-friendly way through the provision of guidelines and support”

There are over 6,000 people working at If, and each one of them is an environmental ambassador. It is If’s sincere hope that by increasing environmental awareness in the workplace If’s employees will also make environmentally-conscious choices outside the office. Together we are able to create an organization where everyone works as a team to improve If’s environment and promote a sustainable future. We provide If’s employees with guidelines and support to inspire and encourage them to make environmentally-sound choices.

Meeting instead of traveling

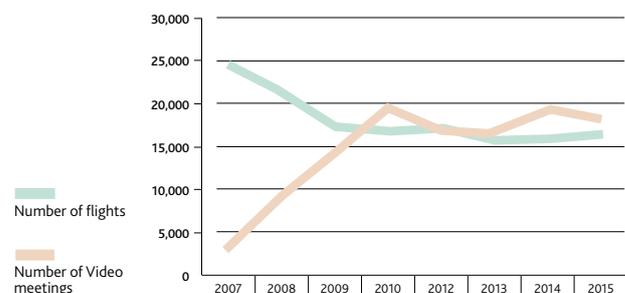
We have seen a rapidly growing interest in virtual meetings since their introduction in 2003. Today, If’s Nordic offices have 94 rooms with video meeting facilities. User friendliness, clear guidelines and internal video support have contributed to the success. Almost 1,800 video meetings are held every month.

All employees have a fully-integrated online chat and Live Meeting program on their computer. Being able to simultaneously converse and share presentations and documents makes online meetings a viable alternative to physical meetings. Some of the many benefits of video conferencing are time saving, a better work-life balance, less environmental impact and reduced costs. If’s employees frequently use the teleconferencing facilities and the meeting rooms are often fully booked.



Travelled distance compared with CO2 emissions

Yearly Development of Flight Travel and Video Meetings If P&C, 2007 – 2015



Flights compared to video meetings

- The number of flights has decreased by 35% between 2007 and 2015
- Approximately 35% of all If employees have taken If’s e-learning course in environmental awareness
- We conduct about 1,800 video meetings per month



Focusing on training and awareness

As part of their induction, 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 35% of employees have so far attended the course.

We have 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 If's environmental footprint at work and at home is available on If's internal website and on posters in If's 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 Hours campaign since 2008. We traditionally arrange theme weeks 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 If's 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 office council that focuses on environmental issues to create an environmentally-sound workplace. We currently have 19 environmental groups throughout the Nordic region. If's aim is to make caring for the environment easy. If employees feel there are ways in which we can improve If's environmental credentials, they are encouraged to put their ideas in If's Suggestion Box or contact the local environmental group.

The local environmental groups develop local environmental management plans, arrange theme weeks and implement recommendations suggested by employees. Common target areas in 2015 included e-learning courses, energy declarations, screening suppliers, energy saving, reduced 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 If's larger offices have an environmental management program, specifying what we do to reduce the environmental impact of If's 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.



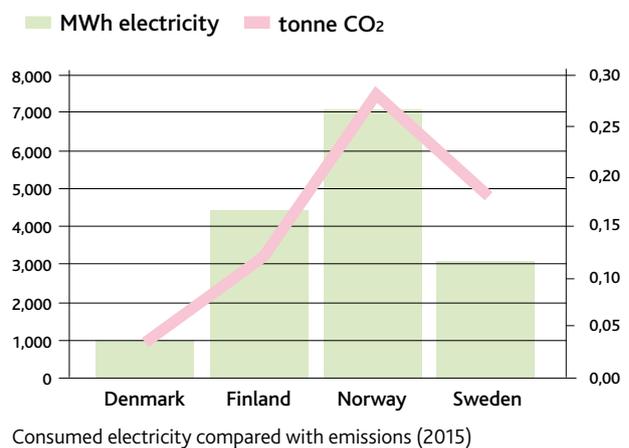
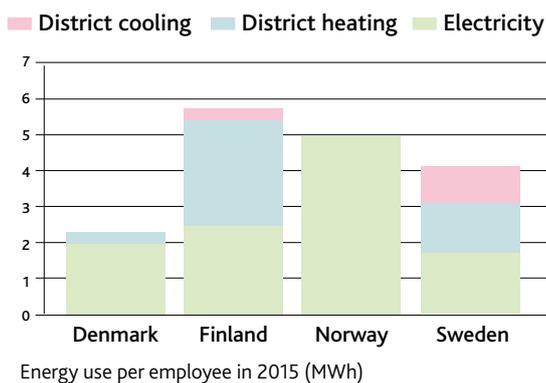
The central part of the environmental management program is If's action plan for improving energy efficiency in If's offices. As part of this plan, we have actively worked for reduced areas and moved to new, more energy-efficient buildings in some places as well.

We also mapped how If's 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 If's 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 If's landlords in other regions how we can find effective solutions for improving energy efficiency in If's

offices. Examples of energy-saving actions are investing in and upgrading ventilation systems, thermostat control and LED lighting. For example, compared with 2014 levels, If's member offices decreased their energy use by 10.2 % in 2015.

Case: Green Office Finland

If's offices in Espoo and Turku, comprising 81% of If's 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. Compared with 2013 levels, If's member offices have reduced their energy consumption by 27%, district heating use by 24% and district cooling by 9%. 52% of the office supplies purchased were either ecolabelled or classified as environmentally-friendly.



Green IT

Using modern technology and solutions in If's IT systems improves functionality and helps us to reduce the environmental impact of If's business-related activities.

If takes pride in not only using IT smartly, but also using smart IT. In 2015, we took an even bigger step into the world of cloud services. These services are scalable, flexible and cost and energy-efficient. We moved several key platforms to the cloud. If's focus has been on solutions for information sharing and

communications, such as e-mail, calendars and project and departmental information-sharing solutions. Cloud services can reduce emissions by up to 90% compared with in-house solutions.

Another focus area has been to improve If's video meeting solutions as part of a meeting management program. All users are now able to make phone calls and conduct phone and video meetings directly on their PC. The easy-to-use, mobile app to access live phone meetings has made these solutions very popular.

Activities that demonstrate how we manage the environmental impact from If's offices:

- 19 local environmental groups
- Targets and action plan
- Environmental tips on the internal website
- 35% of all employees have attended a course in environmental responsibility
- 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 Hours 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 preset for double-sided printing
- Reuse and recycling of electronic equipment
- Recycling and reducing mixed waste. Some offices have already removed all conventional bins and only have recycling stations (implementation is in progress)
- 50% of the office equipment purchased is either ecolabelled or environmentally-friendly
- All cleaning in Norway, Sweden and the two biggest offices in Finland, Espoo and Turku is Swan-labelled and in Finland the supplier is ISO 14001 certified.
- If's canteen in Sarpsborg is Swan-labelled and If's canteen in Copenhagen is certified organic
- Implementing energy-efficiency measures in cooperation with If's landlords
- Energy declarations, including action plans for 40 of If's largest offices
- Use of green electricity in all If's offices in Denmark, Sweden, Norway and Finland
- If's office in Gothenburg was approved as a Green Building
- Moved into seven energy-efficient buildings and improved energy efficiency in a number of offices
- If's Copenhagen office is certified as "good" under the BREEAM scheme. Initiatives are under way to improve the rating to "very good"
- If has been voted Member of the Year in the Danish Swan network "Netværk for Miljømærket Indkøb"
- The Head office in Oslo, Norway, achieved the "Miljøfyrtårn" certification

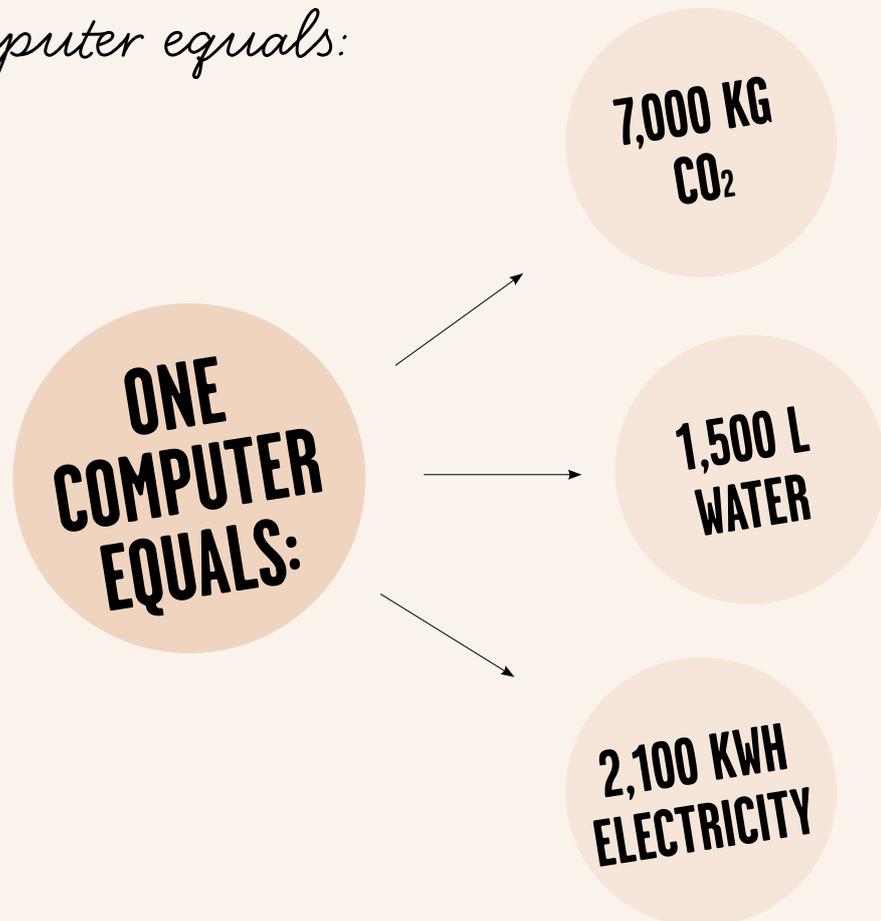
As well as improving If's IT systems, we are also working actively to reuse and recycle electronic equipment (computers, screens, phones, etc.). In 2015, we recycled 3,000 kg of computers and brought 1,000 computers back into use, and had over 500 mobile phones repaired and brought into use again. This is an important measure in reducing If's environmental impact. To illustrate this, the manufacture of one computer uses 1,500 liters of water, 2,100 kWh of electricity and produces approximately 700 kg of CO₂ emissions.

This year we have been actively involved in a bank and insurance industry network for improving the sustainability component in IT purchasing.

From 2013 through 2015, we reduced the number of office printers and introduced more energy-efficient multi-machine printers with a lower 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:





SUPPLIERS

We encourage and support If's suppliers and partners in their efforts to use more environmentally-friendly methods in their operations.

Together with If's suppliers, we handle approximately 525,000 cases of car damage and 400,000 cases of property damage each year. If's choice of suppliers has a greater impact on the environment than you might think. Through strict environmental requirements and collaboration with If's suppliers, we generate synergies that contribute to mutual success and environmental benefits. If's aim is to ensure that the products we use and every claim we handle make the least possible impact on the environment.

Environmental responsibility in supply chain and procurement practices

If's procurement policy and principles form the basis for If's work with environmental responsibility in If's supply chain and in contractual practices. We have established clear principles for selecting products. We regularly assess If's suppliers and contractors to ensure that all products comply with If's requirements. 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 an environmental 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, 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 If's 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



If's 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 If's environmental goals is included in all significant supplier contracts.

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. In 2015, If was voted Member of the Year in the Danish Swan network "Netværk for Miljømærket Indkøb".

Case: ISS

If's main supplier of cleaning services in Norway and Sweden has been awarded the Nordic Ecolabel accreditation.

Contractors

If's 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 If's contractors who carry out repairs. We insist on very close and transparent cooperation with all suppliers and we regularly monitor their compliance with If's requirements.

Property repairs

We collaborate with approximately 450 contractors in order to ensure fast claims handling for If's customers. Contractors handle If's first inspection

at the accident site. Thorough process documentation and high process quality are essential to ensure that If's customers' claims are handled correctly. Since 2012, we have been using a project process tool (In4mo) for all If's contractors. This web-based communication tool can be accessed through mobile phones or tablets, giving the claims handler immediate access to all 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 If's 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, resulting in a smaller carbon footprint.

In 2015, 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 If's 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 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.

Case: iSEKK

Every year, tens of thousands of iSEKK industrial bags containing bulky waste are transported around central Oslo. About 5,000 of the bags are used in damage restoration activities related to If. Previously, individual contractors were responsible for removing the bags. As a result of a collaborative effort between If and iSEKK AS, some 3,400 unnecessary trips are saved, thereby reducing carbon emissions.

As well as in Oslo, this scheme is in operation in Stavanger, Bergen and Trondheim.

If's requirements on contractors in property repairs

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

If's requirements on contractors in vehicle repairs and dismantling

- Environmental and quality management system according to ISO 9001 and ISO 14001.
- 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

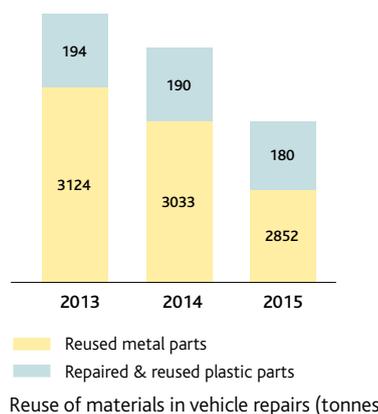
We are continuously seeking ways to avoid unnecessary travel in If's operations. The process of vehicle claims is almost completely remote. In addition, If's vehicle claims inspection employees have all completed eco-driving courses. We have stringent environmental requirements for If's vehicle repair and property repair contractors. Spare parts must be reused and recycled and monthly follow-ups conducted 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 tonnes of plastic and metal each year. Together with If's contractors we create operational synergies for efficient techniques and 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 the 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.

	Reused metal parts	Repaired & reused plastic parts
2009	3037	169
2010	3130	171
2011	3047	178
2012	2957	189
2013	3124	194
2014	3033	190
2015	2852	180



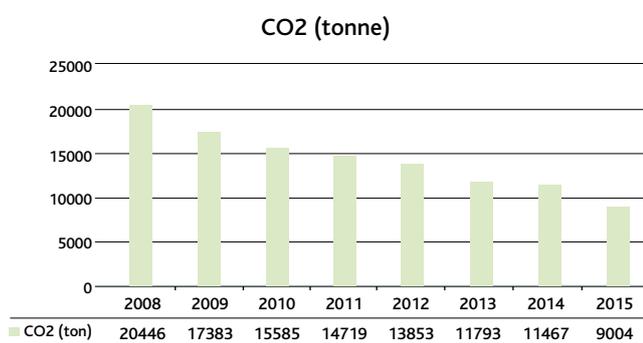
CLIMATE CHANGE

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

Climate change is a global environmental challenge. As research continues to show, a substantial increase in the average world temperature 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. If's aim is therefore to be a frontrunner in the management of risks from climate change. In order to achieve credibility in the marketplace, we must also "walk the talk" and minimize the CO₂ emissions from If's own activities.

Climate impact accounting

The total amount of direct and indirect CO₂ from Nordic operations in 2015 was 9,004 tonnes. See page 29 for detailed results. Purchased energy contributes to 11% and business travel (air, train and car) to 86% of If's total measured impact. Of all the means of transportation we use, air travel has the largest impact per travelled kilometer, which makes it the most significant sources of emissions. We follow the Greenhouse Gas Protocol guidelines in If's climate impact accounting.



- We have decreased If's CO₂ emissions by 56% since 2008.
- In 2015, If offset 9,004 tonnes through a Gold Standard VER project.
- 100% of all electricity purchased by If comes from renewable resources.

If's actions

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

ClimateWise is a cooperative network founded by a number of insurance companies throughout the world with the goal to raise awareness about all aspect of climate change. The network was founded in 2006 and is managed in cooperation with the University of Cambridge Programme for Sustainability Leadership.

- Lead in risk analysis,
- Inform public policy making,
- Support climate awareness among customers,
- Incorporate climate change into investment strategies,
- Reduce climate impact from If's business, and
- Report If's impact and actions.

In 2015, we improved If's ClimateWise score by 7% points, placing us 9th in the overall ranking for reporting companies.

Research

We are seeking new ways to combat climate change. Research provides the essential input for mapping risks and opportunities driven by changes in regulation, physical environment and socio-economic and other climate-related developments.

In 2012, we entered into a partnership to support research into increasing Nordic homeowners' capacity to adapt to climate change. A website was launched in the autumn of 2014 as part 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.

Through If's membership in the Norwegian Insurance Federation, we are engaged in a collaborative research project with Norwegian cities to improve methods and preparedness to manage climate-change-related risks. By providing claims statistics, If helps identify the most critical issues and risks related to climate change. We help finance national and regional weather and catastrophe forecasting through If's participation in the Norwegian natural perils pool.

As a member of the national Insurance Associations in Sweden and Denmark, we participate in research used to ensure and improve adaptation to climate change.

Public policy making

We participate in the public debate regarding climate change and its consequences and have a continuous dialogue with policy makers. The purpose is to share knowledge and increase awareness among policy makers about climate-change-

related risks in the Nordic countries and the role of the insurance industry in combating these issues.

Through If's membership in the Nordic Insurance Federations, we participate in an advisory board appointed by the Danish Minister for the Environment. We contribute expertise in risk management, climate resilience and adaptation issues in the policy-making process.

In Norway, we are part of a committee appointed by the Norwegian government focusing on climate resilience and improving infrastructure to handle increased rainfall. If's role is to contribute expertise in climate resilience and adaptation issues in the policy-making process.

See below for examples of networks and initiatives in which we are involved.

Carbon offset

Since 2011, all CO₂ emissions arising from If's own operations have been offset. In 2015, we offset 9,004 tonnes of CO₂ emissions through a Gold Standard VER project called Envirofit Tanzania. More than 77% of the population of Tanzania uses

1 Did you know?

If supports and participates in a number of research projects in the Nordic region:

Byg-Erfa

We represent the insurance industry in the Danish construction organization Byg-Erfa.

Centre for International Climate and Environmental Research (Cicero)

If is a member of the Cicero Climate Panel in Norway, participating in research focusing on climate change.

SINTEF

If is contributing to Scandinavia's largest independent research organization, SINTEF.

2 Did you know?

If regularly organizes meetings on climate change. In September 2015, If organized the round-table conference Klimakonferensen Det Brysomme Vannet. Its purpose was to highlight the consequences of climate change for the community as a whole. If invited politicians, academics, municipalities and other experts to present and discuss how they are affected by climate change, and mitigation and adaptation strategies.

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 in 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 drainage systems. Moreover, insurance companies in Denmark, including If, have been sharing damage data with 70% of Danish municipalities for seven consecutive years.

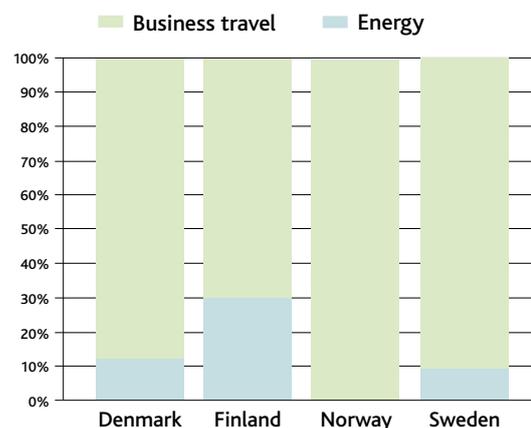
firewood for cooking. 7.2 million families depend on this rapidly-depleting resources. They walk an average of 3 hours a day to collect wood and spend up to 1/3 of their annual income on cooking.

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 school. The project helps to slow down the rate of deforestation, as 525,000 trees are saved each year. The reduction in emissions from one cookstove per year (about 2 tonnes of 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 Tanzania and the global climate. If's ambition is to take a global responsibility and continue to fund carbon offset projects over the coming years.

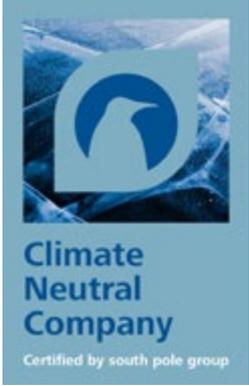
The Gold Standard projects enable global collaboration in funding and implementing emission-reduction projects in developing countries. These projects

reduce CO₂ emissions and generate so-called verified (VER) or certified (CER) emission reduction credits, each equivalent to one tonne of CO₂. The projects are funded by the purchase of such credits, and without the 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.



Distribution of CO₂ emissions per country 2015

Examples of initiatives and memberships

<p><i>The Corporate Climate Communique</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>Næring 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 2014-2015 by scope

Scope 1 (direct fuel consumption and emissions by type)				
	2014		2015	
	Consumption (m ³)	Emissions (Tonnes CO ₂)	Consumption (m ³)	Emissions (Tonnes CO ₂)
Petrol	12	27	17	38
Diesel	51	131	48	118
Biogas	0	0	0	0
Natural gas	1	1	0	0
Sum	64	159	65	156

Scope 2 (indirect energy consumption and emissions by type)				
	2014		2015	
	Consumption (MWh)	Emissions (Tonnes CO ₂)	Consumption (MWh)	Emissions (Tonnes CO ₂)
Electricity	16,427	1	15,664	1
District heating	9,401	1,604	7,879	993
District cooling	3,042	71	2,383	61
Sum	28,870	1,675	25,926	1,054

Scope 3 (other indirect emission sources)				
	2014		2015	
	Use	Emissions (Tonnes CO ₂)	Use	Emissions (Tonnes CO ₂)*
Business air travel (km)	19,011,697	7,660	19,050,533	5,836
Business train travel (km)	3,009,642	16	2,803,529	24
Business car travel (km)	10,010,145	1,926	9,490,058	1,917
<i>Petrol (km)</i>	<i>3,571,800</i>	<i>731</i>	<i>3,429,468</i>	<i>758</i>
<i>Diesel (km)</i>	<i>5,816,748</i>	<i>1,143</i>	<i>5,561,625</i>	<i>1,116</i>
<i>Ethanol (km)</i>	<i>332,900</i>	<i>20</i>	<i>316,871</i>	<i>23</i>
<i>Biogas (km)</i>	<i>163,989</i>	<i>2</i>	<i>0</i>	<i>0</i>
<i>Natural gas (km)</i>	<i>62,354</i>	<i>9</i>	<i>0</i>	<i>0</i>
<i>Hybrid (km)</i>	<i>62,354</i>	<i>20</i>	<i>182,094</i>	<i>21</i>
Copy paper use (Tonne)	107	32	71	17
Sum	-	9,634	-	7,794
Total emissions, Scope 1, 2 and 3 (Tonnes CO ₂)		11,468		9,004

* The methodology to calculate emissions from flights has been updated for 2015. Using the previous methodology the emissions from flights in 2015 would have been 7,615 tonnes of CO₂.

If CO₂ sources and emissions by country and scope 2015

	Denmark	Finland	Norway	Sweden	Sum	Denmark	Finland	Norway	Sweden	Sum
Scope 1 (direct fuel consumption by type, m ³)						Scope 1 emissions (Tonnes CO ₂)				
Petrol	12	2	0	3	17	27	4	0	7	38
Diesel	17	4	2	24	48	43	11	5	60	118
Natural gas	-	-	0	0	0	0	0	0	0	0
Biogas	-	-	-	-	0	-	-	-	-	0
Ethanol	-	-	-	-	0	-	-	-	-	-
Sum	29	6	2	28	65	70	14	5	67	156

	Denmark	Finland	Norway	Sweden	Sum	Denmark	Finland	Norway	Sweden	Sum
Scope 2 (indirect energy consumption, MWh)						Scope 2 emissions (Tonnes CO ₂)				
Electricity (MWh)	1,031	4,418	7,100	3,115	15,664	0	0	0	0	1
District heating (MWh)	174	5,194	0	2,511	7,879	23	810	0	159	993
District cooling (MWh)	0	564	0	1,819	2,383	0	36	0	25	61
Scope 2 without renewable energy contracts	-	-	-	-	-	378	1,917	2,442	2,627	6,442
Sum	1,205	10,176	7,100	7,445	25,926	23	846	0	185	1,054

	Denmark	Finland	Norway	Sweden	Sum	Denmark	Finland	Norway	Sweden	Sum
Scope 3 (other indirect emission sources)						Scope 3 emissions (Tonnes CO ₂)				
Air (km)	1,717,465	4,597,822	6,272,973	6,462,273	19,050,533	538	1,368	1,981	1,948	5,836
Train (km)	21,780	1,088,805	590,479	1,102,465	2,803,529	0	15	8	0	24
Total taxi & private car (km)	645,728	2,972,963	2,542,826	3,328,541	9,490,058	145	666	564	542	1,917
--Petrol	322,550	1,052,802	893,352	1,160,764	3,429,468	74	241	204	239	758
--Diesel	323,179	1,920,161	1,625,816	1,692,470	5,561,625	72	425	357	262	1,116
--Ethanol	0	0	0	316,871	316,871	0	0	0	23	23
--Biogas					0					0
--Natural gas					0					0
--Hybrid	0	0	23,658	158,435	182,094	0	0	3	18	21
Copying paper (Tonne)	11	26	16	18	71	3	6	4	4	17
Sum						687	2,055	2,558	2,494	7,793
Total emissions, Scope 1, 2, and 3 (Tonnes CO ₂)						780	2,915	2,563	2,745	9,004

Water consumption by country

2014	Denmark	Finland	Norway	Sweden	Sum
Water consumption (m ³)	3,432	15,282	10,013	14,675	43,402
2015	Denmark	Finland	Norway	Sweden	Sum
Water consumption (m ³)	2,936	12,435	10,697	15,168	41,236
Change in water consumption (%)	-14%	-19%	7%	3%	-5%

Paper and printed materials by weight by country

2014	Denmark	Finland	Norway	Sweden	Sum
Copying paper	15	35	30	27	107
Printed material	19	94	115	67	295
Marketing material	34	124	33	122	313
Sum (tonnes)	68	253	178	216	715
2015	Denmark	Finland	Norway	Sweden	Sum
Copying paper	11	26	16	18	71
Printed material	15	87	80	53	235
Marketing material	25	50	30	54	159
Sum (tonnes)	51	163	126	125	465

Produced and recycled waste by country

2014	Denmark	Finland	Norway	Sweden	Sum
Recycled and/or reused (Tonnes)					
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
2015	Denmark	Finland	Norway	Sweden	Sum
Mixed waste	-	36	-	0	36
Paper and cardboard	-	156	72	68	296
Waste IT products	-	4	6	0	10
Domestic waste (bio)	-	43	24	12	79
Metal, glass	-	6	-	4	10



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