

Environmental report 2011

Relax, we'll help you.



CONTENTS

CEO message.....	3
About If.....	4
Continuous work.....	6
Our approach.....	7
Environmental policy.....	8
Employees.....	9
Customers.....	13
Suppliers.....	17
Climate change.....	19
If Environmental data.....	21

About this report

This report summarizes our environmental impact and performance for 2011. It is our third environmental report. The scope and boundaries of the report are limited to If's operations in Finland, Denmark, Norway, and Sweden.

We would appreciate your feedback on this report. For more information about Ifs environmental management please contact Kenth Edström, Environment Director.

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CEO MESSAGE

The most important issue - our future

As the leading insurance company operating across the Nordic region, it is a self-evident part of our business strategy that we consider our environmental performance, not only throughout our own operations, but also in relationships to our stakeholders. We believe that acting today with a view to manage potential environmental risks is the most efficient strategy to support and advance a sustainable future.

The core of our environmental policy is that If shall always strive to find the best solutions not only for the environment, the company, and our customers, but also for our suppliers and partners.

Highlights of 2011

This year is marked by a number of successful activities aimed to improve our environmental performance. We have implemented several internal measures and also been part of various relevant external initiatives - some highlights:

- In 2011 our car repair operations managed to achieve cost savings of 140 million SEK simply by developing methods to repair damaged plastic parts for cars instead of replacing them. In 2011 our car repair operations contributed to almost half of all reserve parts being reused in Sweden.
- During 2011, in order to reduce our environmental impact while handling damage claims we have completed an environmental assessment of all our significant suppliers - close to 1000 - to ensure that they comply with our environmental performance goals.
- All CO₂ emissions arising from our own operations have been compensated (carbon offset) through a United Nations (UN) Clean Development Mechanism project in India.
- In June 2011, If published our first report as an active member of the ClimateWise network, which is the insurance business initiative to respond to the risks of climate change. If's scored very well when our climate work was assessed against the six so called ClimateWise Principles.
- Ahead of the UN climate summit COP 17 in Durban, South Africa, If signed "The 2°C Challenge Communiqué" - a business lead climate initiative which calls on governments to break the deadlock in the international negotiations and take the necessary action at a national level - the main objective being to stabilize global warming to 2°C.
- As part of our business strategy to mitigate climate change and reduce risk we have taken an initiative, together with three other insurance companies, to fund a project through Nordforsk on climate change adaptation in the Nordic countries.
- Installation of online communication software and launching e-learning course "Efficient meetings" to reduce CO₂ emissions arising from our business travel.
- As a result of efforts to improve the energy and cost efficiency for our larger offices, the office in Gothenburg managed to reduce the energy consumption with 39%.
- We started cooperation with WWF in Finland and completed implementation of WWF Finland's Green Office environmental management program in our office in Turku.

This report is intended to provide a picture of what we have accomplished as to date. We are now taking stock of our activities and note that we have done a great deal to improve our environmental performance. Never the less, much remains to be done - it is our steadfast ambition that if will continue to walk the talk of a sustainable future.



Torbjörn Magnusson
CEO, If P&C Insurance AB

ABOUT IF

Key figures

Company name	If (If P&C Insurance AB)
Countries of operation	Finland, Denmark, Norway, and Sweden
Headquarters	Solna, Stockholm
Technical result	4 129 MSEK
CO ₂ emissions	14 719 ton CO ₂
Markets	Non-life insurances for private persons, businesses, and international industrial enterprises.
Number of customers	3.2 million
Number of employees	5620

Our 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 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

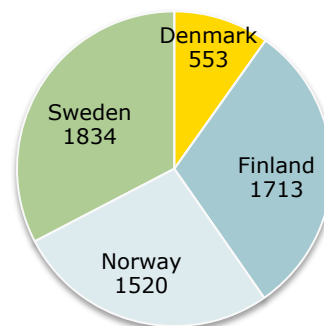
Services

We offer whole range insurance solutions and services. It includes everything from insurances for private cars and homes to customized global insurance programs for international industrial enterprises.

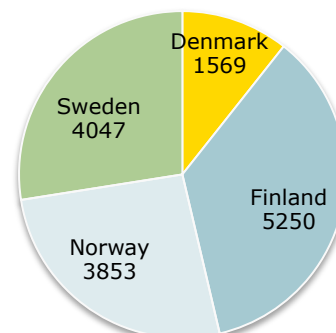
Organization

If is the leading property and casualty insurance company in the Nordic region with an integrated organization and activities. The company belongs to Sampo Plc group that is listed on the Helsinki Stock Exchange. Our operations are divided into customers within business areas of Private, Commercial, Industrial, Baltics and Russia. Supporting functions such as IT, HR and Information are organized from a Nordic perspective.

Number of Employees (2011)



CO₂ emissions 2011 (ton CO₂)





CONTINUOUS WORK

Goals for 2011

- Have at least one environment related product in each Nordic country by the end of 2011.
- Improve our methods in claims handling, take better care of waste and increase reuse of materials.
- Complete environmental assessment of all the significant contractors and suppliers by the end of 2011.
- All environmental reports shall be of high quality and available at a given date.
- Reduce CO₂ emissions arising from our own operations in order to achieve goal for 2012.

What we have achieved

- Introduced a new insurance product in Norway for liabilities based on the new national Nature Conservation Act.
- We have improved routines to increase material recycling in car repairs. During 2011 If reused up to 178 tons of plastic and 2302 tons of steel and aluminum in claims handling.
- We have improved our environmental commitment by completing environmental assessment of our significant suppliers - close to 1000 companies.
- We published report about our climate work as an active member of the ClimateWise network and scored very well when our work was assessed against the six so called ClimateWise Principles.

- Mapping energy performance of our facilities and implementation of energy efficiency measures, e.g. the office in Gothenburg managed to reduce climate impact and decreased energy consumption considerably.
- All CO₂ emissions arising from our own operations have been compensated (carbon offset) through a UN Clean Development Mechanism project in India.

New targets for short term

- Reduce CO₂ emissions by 15 percent from 2011, by the end of 2012.
- Increase the number of suppliers that have undergone screening regarding environmental requirements.
- Carry in each country of operation at least one environmentally related interaction with our customers. Shall be completed by March 1, 2012.
- Improve waste and material handling when managing repairs to increase recycling and efficiency.

Our long-term target

- Reduce CO₂ emissions by 50% from 2008 to 2015.

Did you know?



ENERGIÄN-
SÄÄSTÖ+
VIIKKO

Since 1999 If in Finland has been a registered participant in the Energy Saving Week.

OUR APPROACH

Our aim is to establish customer satisfaction as regards our contribution towards ensuring a sustainable future, which is why one of our main tasks is to minimize our environmental impact. In 2008 our environmental strategy was developed by the Steering Group for Environment. The strategy defined our environmental policy and goals and set up a basis for the approach to minimize our environmental impact. As defined by the strategy, the main principles, while managing our environmental impact, are our own Core values. Our approach is to minimize our environmental impact through increasing internal awareness and offer appropriate education and support.

MANAGING OUR ENVIRONMENTAL IMPACT

VALUES AND PRINCIPLES	If's Core values
ENVIRONMENTAL KEY-ISSUES	<ul style="list-style-type: none"> Travel and meeting management Education and awareness Environmental impact from claims handling Energy consumption Waste minimization Climate change
COMMITTED ORGANIZATION	<p>Steering Group – sets If's environmental strategy and overall goals. Steering group has 7 members whereof 3 members are from If's executive board. Each member represents a different business area and country.</p> <p>Nordic Environmental Group – has responsibility to manage and follow up implementation of all the environmental measures regarding facilities and procurement.</p> <p>Local Environmental Groups – formulate local action plans and arrange activities for awareness growing. Present at every larger office.</p>
TOOLS AND POLICIES	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Employees – receive training regarding environmental issues, Environmental days and campaigns Customers – environmental related interactions in each country of operation, information on home page Suppliers – dialogue during environmental assessments and communication regarding our environmental goals and requirements Owners – environmental reporting, ClimatWise reporting External stakeholders – campaigns, funding research in climate change

Our strategic goals

- to increase the internal awareness of environmental issues and offer appropriate education and support as needed
- to minimize waste arising from our operations and to reuse and recycle waste when possible
- to minimize the consumption of energy, water and raw materials in our operations and to reuse and recycle where possible
- to ensure that insurance claims are managed with minimum impact on the environment
- to ensure that environmental impacts are considered in investment decisions
- to apply an environmental perspective to the development of our products and services, in order to ensure maximum advantage to our customers and other stakeholders
- to promote environmental initiatives through our socially focused activities to ensure that all local, national and international regulatory obligations that pertain to our operations are fulfilled



ENVIRONMENTAL POLICY

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

- We must always give our staff the possibilities to act in an environmentally friendly way through the provision of guidelines and support.
- We are developing products, processes and damage prevention services in order to help our customers 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 work.
- We must always provide information about environmental risks and participate actively in the public debate concerning climate change.

Environmental policy research



A s part of our proactive business strategy we are always on the look out for new ways to improve the state of nature – the environmental situation. During 2011 we participated a research project called “The Role of the insurance industry in environmental policy in the Nordic countries” together with Nordic Innovation, Finnish Environment Institute and other insurance companies.

The purpose of public environmental policies is to help prevent damage and contribute to managing risks in the interest of all the stakeholders in the community. However there are areas where there is little or no existing policy instrument to ensure sufficient risk management.

The objective of the study was to identify situations in which cases insurance could function as a more appropriate instrument for risk management than existing environmental policy tools. The research was carried out based on interviews with over 20 experts on insurance and environmental policy, and also included a substantial analysis of publicly available data.

The conclusion of the study was that insurance, as a tool for risk management could successfully be applied in many areas of environmental policy. However, the most practical and obvious application area were for instance concerning cases where no policy requirement to reduce risks existed, or in cases where risk management involved very high costs for the operating entity.

Find out more: www.nordicinnovation.org/Publications

EMPLOYEES

It is because our committed employees that we are the leading property and casualty insurance company in the Nordic region. And it is only because of our employees that we can create an organization where everyone is working together to improve our environment and contribute to a sustainable future. In order to encourage and support our employees in this daily endeavor we provide our employees with guidelines and other kinds of support to encourage that we all make right environmental choices. There are over 5000 people working at If, we consider each one of us as being an environmental ambassador. We believe that by growing environmental awareness at work our employees will also make environmentally conscious choices outside the office.

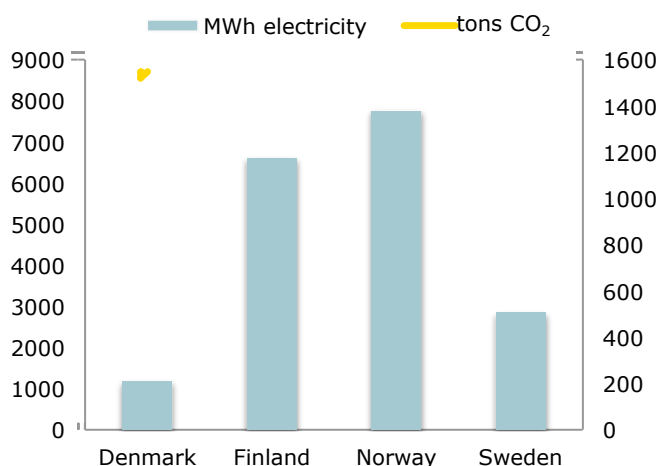
Environmentally sound workplace

An "Environmentally sound workplace" is the concept for all the measures we do in order to reduce the environmental footprint of our office operations. Our ambition is to create an ecologically sound working environment, to make it easy and to encourage our employees to act environmentally friendly. The program for Environmentally sound workplace involves activities that are common for all the offices as well as actions specific to a certain workplaces. During 2011 green IT, energy efficiency and meeting management have been our common focus.

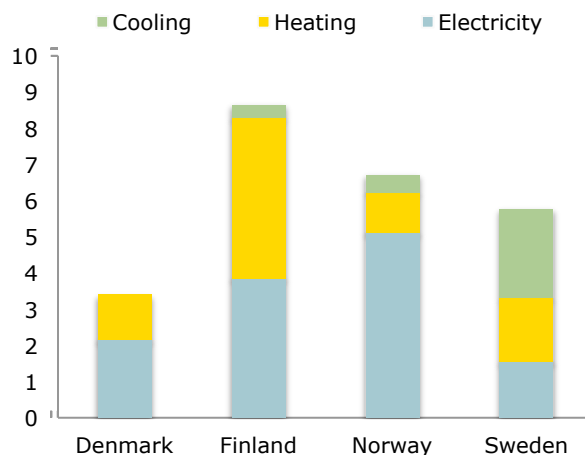
Green IT

Our goal is to make it easy for employees to reduce our environmental impact, such as resource consumption and CO₂ emissions arising from business related activities. An interesting example to this effect, is a project that recently was concluded on measures for more efficient printing, which radically has reduced paper consumption and also contributed to a more efficient toner usage. During 2011 we also focused our efforts to reduce the amount of server hardware in use by applying up-to-date web solutions. As a result, 50% of servers now being used are virtual, which has resulted in great savings of cooling energy. Our goal for the coming years is that 70-80% of the total number of servers will be virtual, as compared to 2009. With a view to further reduce our energy consumption, we also plan to implement an automatic user-habit adjusted solution for stationary computer switch-off and wake-up. Another focus area has also been to improve our video meeting solutions as part of the meeting management program. As a result of efforts in IT, If's Chief Information Officer (CIO) Kjell Rune Tveita was awarded Swedish annual CIO prize for remarkable achievements in automated business processes such, e.g. claims, and green IT.

Consumed electricity compared to emissions (2011)



Consumed energy per employee 2011 (MWh electricity, heating, and cooling)



Between 2010 and 2011 we have reduced our total energy consumption with 12%. The electricity consumption has increased while heating and cooling consumption has decreased. See the detailed summary on page 21. The average energy consumption per employee in 2011 was 6.7 MWh compared to 7.6 MWh per employee in 2010.

We have also started a policy program to reduce CO₂ emissions from electricity consumption by switching to green electricity (produced 100% from renewable sources). All our Swedish offices use green electricity since 2011. Offices in Denmark will be switching to green electricity in the beginning of 2012 and facilities in Finland will be switching to green electricity in 2013.

Meeting management

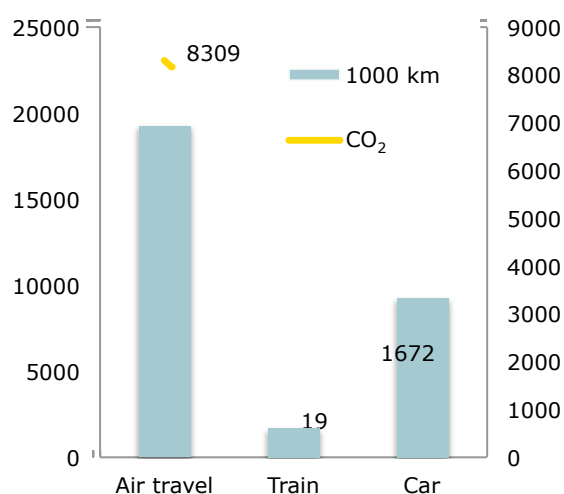
"Meeting management" is a concept that has a very important role to play in our CO₂ emission reduction program. It is rather self-evident, the more meetings we can hold online, the more business journeys we can avoid. Being able to see the other person talking is an essential factor in the meeting quality. This is the reason why employees in general spend lot of their time on business travel. We believe that it does not have to be so. Therefore we have invested lot of effort to implement online meeting solutions that are simple to use, effective and preferred by our employees as compared to travelling and meeting in real life.

In 2011 we acquired an additional number of new video meeting facilities for our group meetings. In total there are 78 video meeting facilities in our Nordic offices. We also launched a fully integrated online chat and Live meeting program that is available in every employee's computer and includes automatically contact information to all the co-workers. This means that all our employees now can hold online meetings with internal as well as external participants. The online program enables participants to meet each other, talk and share presentation or other documents at the same time. Today over 19 000 meetings are held over video, in addition to that Live meeting program is widely used instead of travelling. Our ambition is that in the future as many meetings as possible will be held online.

Internal business travel and video meetings 2007-2011

Year	Number of flights	Number of video meetings
2007	24784	3000
2008	21404	9199
2009	17120	14040
2010	16563	19581
2011	17359	19177
Change	-30 %	+539 %

Travelled distance compared to CO₂ emissions (tons)



Did you know?



In If Sweden 65% of employees have completed online course on If's environmental policy.

Training

Training is of course a key issue when it comes to providing our employees with guidelines and sufficient support in order to improve our environmental performance. Since 2010, a course on our environmental policy is part of the introductory program, which all the new employees must attend.

In order to reach our objectives regarding "Meeting management", i.e. to significantly increase the use of online meetings in our organization; we have developed a training course called "Efficient meetings" focusing on meeting management. The purpose of the course is to explain the roles and responsibilities of different meeting participants and to help our employees choose between various types of online meeting alternatives based on the purpose of the meeting. Our goal is that all our managers will attend the course and also encourage members of their workgroup to attend.

Environmental workgroups

Every larger If office has an environmental workgroup made up by representatives from all operational units. The role of the environmental workgroup is to operate the local environmental management programs; i.e. gather ideas, provide advice regarding improvements and implementation, as well as follow up of those measures. The local environmental management programs vary depending on the office facility and location. However there is a general and common objective, which applies to all our offices, namely to create an environmentally friendly workplace and encourage all our employees to engage in this process.

During 2011, the focus for our environmental workgroups have been on improving energy efficiency, reducing unnecessary printing, minimizing food waste from canteens, increasing recycling and reducing mixed waste. An illustrative example of "what can be done" is the result of an in-house study conducted during spring 2011, which shows that approximately 23 tons of food is thrown away in our Swedish offices every year. In order to cut down on this alarming amount of food waste, our local environmental groups have initiated awareness programs for employees working in the canteens. The purpose of this program is to minimize the amount of food that is thrown away in the kitchen and by the visitors.

Moreover, it is also the role of the Environmental workgroups to initiate awareness-raising programs and provide inspiration in order to encourage our employees to act environmentally friendly. To this effect, so called "environmental days" were held during 2011 in our offices in Stockholm and Gothenburg. Moreover, during the autumn of 2011, the Gothenburg office carried out a paper saving week with the focus on solutions available in the office in order to reduce paper consumption. Another awareness-raising initiative we have and will continue to participate in, is the Earth Hour campaign and its' focus on climate smart living. If in Finland participated in the national Energy Saving Week 2011 and encouraged its employees to save energy in their everyday activities, both at work and at home as well as on the go.

Did you know?



In 2011 If offices participated for the third time in Earth Hour campaign.

Cooperation with WWF Finland

Our ambition is to become one of the pioneers in managing sustainability and climate change challenges in the insurance industry. To achieve this objective we will work with strategic partners and implement the necessary management tools. Consequently, towards the end of 2011, If in Finland became a member of WWF Finland's Green Office network, an environment management system developed and managed by WWF Finland, and is now planning to certify major offices according to the management system for the Green Office program.

We are delighted to have cooperation with If to promote environmentally responsible insurance business – says Helka Julkunen, Green Office Manager at WWF Finland.

The purpose of If's Green Office program is to promote, in our work and among our stakeholders, three important aspects: environmentally responsible insurance business, the sustainable use of natural resources and the mitigation of climate change. The Green Office program entails implementation and certification of WWF Finland's environmental management system for offices and the submission of an annual progress report to WWF Finland.

The local environmental workgroups will manage the implementation and follow up of the Green Office program in Finland. During this program our offices in Finland will carry out different activities in order to mitigate negative environmental impact and reduce consumption of natural resources caused by office activities. This task will include various measures ranging from the identification of alternative office operating methods to motivating consumers to purchase more environmentally friendly services. Employee training and engagement is also a central part of this program.

During 2011, our office in Turku successfully started implementation process of the Green Office environmental management system and is ready to undergo inspection and certification process next year.

Gothenburg's office frontrunner in energy efficiency

The Gothenburg office has during 2011 taken radical steps to improve energy efficiency. Various energy efficiency measures have been implemented to decrease energy consumption. The most efficient measure has proved to be the installation of an energy smart ventilation control system, which ensures that heating and cooling are not used at the same time, while at the same time basing ventilation capacity on the number of persons who are present in the office. Another interesting measure is the installation of an automatic lighting control system, which adjusts the indoor lighting depending on time, or when movement is detected. A recently conducted follow up, shows that these smart measures have reduced energy consumption with 39%.

In addition to implementing measures on energy efficiency, focus has also been on cutting down paper consumption - and of course to encourage employees to use climate smart transportation modes, such as a bicycle. A small but efficient measure in the Gothenburg office has been to offer employees to use company bicycles for running errands instead of a car.

Improving energy efficiency has is an investment which not only reduce our costs significantly, but also reduce our environmental impact. In order to achieve the CO₂ emission reduction target we have set for 2015 we need to take serious actions – says Susanne Conradsson, Chairman of Environmental Group Gothenburg.





CUSTOMERS

Higher temperature, extreme weather conditions and rising sea levels – the different environmental conditions pose risk to our customers and their property. Our priority is to help our customers to manage all kinds of risks and provide assistance when accidents happen. By providing our customers guidance on how to prevent damage we help them to save money and protect environment.

Products & Services

We believe that “prevention is better than cure”, consequently we actively offer our customers guidance on how to prevent damages and accidents through our customer center and on our website “Advice and tips”. We believe that helping our customers to avoid damage is one of the most important and efficient environmental measure there is to take. Every accident and damage involves extra costs, wasted materials and extra transportation, i.e. additional negative environmental impact. Therefore, when an accident has occurred we focus our efforts to mitigate the negative environmental impact. Hence, we have implemented rigorous programs to reuse materials and well-functioning parts in the repairing process and we also hold our suppliers for repairs to very high environmental performance standards. Nevertheless, still, from an environmental point of view it would be better with no damages at all – that is why preventive action also is key for our business.

Environmental product

To be proactive and a market leader in the area of sustainability requires a pioneering approach to product development. Consequently, during 2011, If in Norway was one of the first of Norwegian

insurance companies to introduce a new insurance product for liabilities based on the new national Nature Conservation Act. The product is designed for businesses. The insurance covers almost all types of environmental damage that the customers can be responsible for.

Repairs

If handled over 401 000 damaged cars during 2011. To minimize waste generation we have implemented a policy-program to reuse, when possible, plastic and metal parts from motor claims instead of disposing them as waste. Our policy also place high requirements regarding waste management on the contractors who repair damaged vehicles. We require for instance is that the contractors who repair damaged vehicles must have certified environmental management system.

In 2011 our repair shops reused 178 tons of plastic and 2302 tons of steel and aluminum from claims handling. In addition we have recycled almost 745 tons of previously used spare parts of various materials. To reuse and recycle materials has an indisputable positive effect on our climate footprint and contributes to savings up to 75 million SEK. The estimated CO₂ emissions savings, from reuse in auto claims, corresponds on an annual basis to approximately 13 000 tons CO₂.

We have also implemented policy- program to increase recycling of materials from property damages and repairs. If handled 310 000 property damages during 2011. These damages could contribute to negative environmental impact if the material that is wasted is not handled properly. Currently we have a collaboration project with recycling companies in Norway and Finland in order to measure the amount of waste from property damages that is being recycled. During 2011 we recycled 1490 tons of waste from property damages in Norway. This contributes to approximately 485 tons of avoided CO₂ emissions.

E-insurance

If has used e-invoices since 2001 and in 2004 we started sending out offers on e-mail instead of paper to our customers. In the autumn 2011 If successfully launched e-insurance solutions for private customers. Private customers in Nordic countries can now choose to get their insurance papers sent electronically.

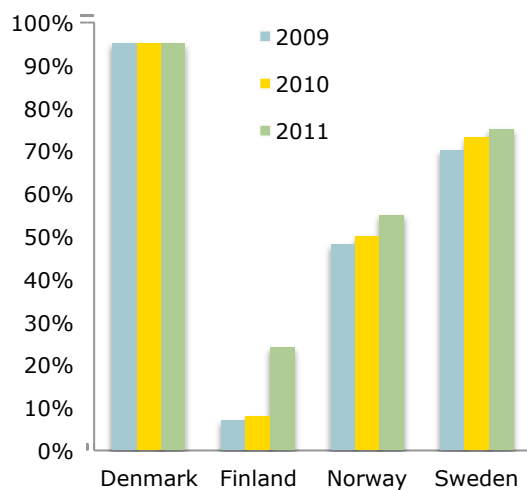
The e-insurance concept combines environmental thinking with a modern approach to communication and customer satisfaction. E-insurance helps to cut down in paper consumption and enables customers to access to their documents through their laptops and smart phones. Customers can now through a log-in

system get a complete overview of their insurance matters, anytime and anywhere. What is more, they can order e-invoices, adjust payment preferences, and sign new agreements.

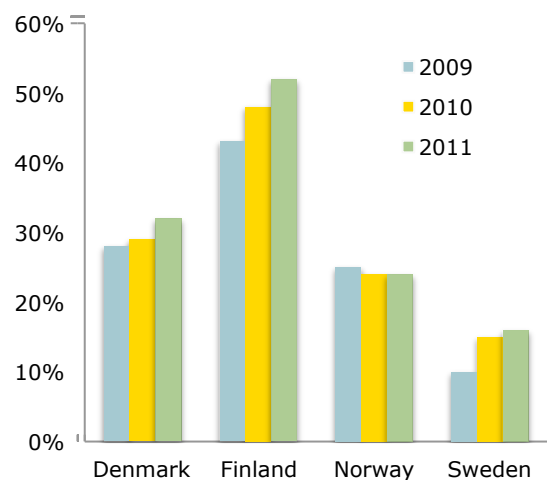
The customer demand of online solutions is increasing all the time and we are delighted to offer our customers these solutions, which brings managing private insurance matters to a new and user-friendly level – says Per Nilsson Head of Concept and Business Development If P&C Insurance.

E-insurance has an important role to play in achieving our environmental targets and improving our communication with customers. The ambition is to develop e-insurance concept further and to fully integrate these solutions into If's products and customer communication. Currently, we have 120 000 customers connected to our log-in system. We are hoping that by 2015 half of our customers will be using our e-insurance and log-in services. We anticipate that this will result in substantial reductions of paper consumption and hence reduce the environmental impact from these operations significantly.

Share of e-invoices in vehicle claims handling (2009-2011)



Ratio of online claim reports from business area private (2009-2011)



eCustomer center



In autumn 2011 we opened Europe's first virtual customer service center. The customer center is located at our office in Lysaker, Norway. This eCustomer center is meant for anyone who would like to ask advice regarding insurance services or would like to buy insurance. The service center works as a telephone box. However, unlike in telephone boxes the customer can sit down and relax while talking over a video call system with one of our employees. Our ambition is to open more of such eCustomer service centers in other locations outside If's offices.

Climate impact accounting tool for business customers

If offers and encourages business customers to use climate impact accounting tool to keep CO₂ emissions under control.



What gets measured gets managed – we believe that the only way to keep your CO₂ emissions under control is to measure how much CO₂ your company actually emits. The climate impact accounting tool Svante is a CO₂ emission calculator designed for businesses. The tool is based on internationally acknowledged guidelines for CO₂ emissions accounting, i.e. the so called Greenhouse Gas Protocol's accounting principles. It's easy to get started with your climate impact accounting - create your account on www.svante.se. To get a free account - use the campaign code if200.



SUPPLIERS

Cooperation with suppliers and green procurement is one of the key topics in our environmental management program. How we choose our suppliers impacts on the environment more than you might imagine. Together with our suppliers we handle approximately 401 000 car damages and 310 000 property damages every year. Without stringent environmental requirements on our suppliers, every damage claim we handle would contribute to the increase of unsustainable consumption patterns and negative environmental consequences. We believe that through strict environmental requirements and collaboration with our suppliers we can create a synergy that contributes to mutual success and environmental benefits – again, we believe that “prevention is better than cure”.

Green procurement

The basis for our work with green procurement is of course to be found in our procurement policy. We have established clear principles for selecting products and we carry out assessments among contractors in repairs and suppliers in IT as well as office equipment to ensure that they comply with our requirements. We prioritize environmentally sound alternatives and take into consideration the entire life cycle of a product in procurement process. However, before we purchase anything we assess if we really need the product.

Anyone who is responsible for procurement is required to take the relevant environmental aspects into consideration in the decision making process. We have defined guidelines and criterions for carrying out evaluation of environmental performance both as regards products and services. Our overall priority is to choose products and services that are certified according to existing eco label criterions or management systems when possible. The type of Eco label that is accepted

may vary depending on the product category. In case there is no Eco label for a specific product category we apply product environmental guidelines from national authorities e.g. Swedish Society for Nature Conservation.

If is a member in Nordic Ecolabel Network - *Buy Ecolabelled*. The Nordic Ecolabel is a world-leading labeling system with rigorous environmental and climate criteria covering 65 different product groups. If Sweden and If Norway have been members of the network since 2010. During 2011 If Finland and If Denmark were the first company to join the Nordic Ecolabel in their respective countries. The purpose of the network is to provide guidance, share ideas and connect companies that want to reduce their environmental impact from purchased products and services. Participation in Nordic Ecolabel Network is not only about purchasing environmentally sound products, but also equally important, about supporting environmentally production and consumption.



We are delighted that If Finland and Denmark has decided to join our networks for purchasing ecolabelled products as the very first members in their countries respectively. By doing so If is contributing to expanding the Nordic Ecolabel Purchasing Network as well as encouraging the development of more sustainable procurement practices in these countries – says Tormod Lien, project manager of Nordic Ecolabel Network.

Our procurement principles

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

- Sustainable and possible to repair
- Energy efficient
- Recyclable
- Produce a minimal amount of waste
- Carry eco-label or environmental certification

Concerning supplier selection and contracts, the following principles have been adopted:

- We apply the defined method for evaluating 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

Contractors

Our overall priority is to ensure that waste and materials from property repair processes are managed in the best possible way from an environmental point of view. Therefore we place high environmental and health related requirements on our partners who carry out repairs and also insist on a very close and transparent cooperation. We have several environmental requirements on contractors in property repairs, for instance we require that they have implemented an environmental policy and that all necessary legal permissions for waste transportation are in place. Furthermore, we require that waste from repairs is sorted and recycled. If Norway and Finland also place the requirement that partners must use the same supplier of waste management services as If does in respective countries.

In order to follow up the environmental engagement in our supply chain we carried out a survey in 2011 to check how our partners in the Nordic countries manage the environmental issues. The survey investigated the conduct of 20 partners in property repairs and gave very positive results. A majority of the respondents (over 90%) had implemented an environmental policy, had routines and a management system to ensure that they follow national environmental regulation, and that the higher management of the company in question was engaged in managing operations in an environmentally responsible way.

We place equally high environmental requirements on our contractors in vehicle repairs. Contractors who disassemble damaged vehicles and supply spare parts for repairs have to be environmentally certified and follow national regulation as well as European Commission's directive regarding prevent waste from end-of-life vehicles (ELV Directive). According to the ELV Directive 95% of materials from an end-of-life vehicles shall be

reused or recycled in 2015. If in Sweden sends every year approximately 1150 damaged cars to disassembling and those contractors deliver approximately 68570 pieces of spare parts to car workshops in to be used in vehicle repairs. In addition to saving raw materials, recycling of the spare parts reduce CO₂ emissions that would otherwise occur during production of brand new spare parts.

Recycling

The use of modern web-based meeting and communication solutions unavoidably results in large volumes of electronic waste, which can have a negative environmental impact. However, our goal is to think green when replacing old electronic equipment with new. Since 2009 we have been part of the so called "it-loop program".

Our ambition is to ensure that electronic equipment is reused within the company as long as possible. Nevertheless, when the "electronic gadget" has run its course of use in our organization, we send - still is functional gadgets - to the it-loop program, which in turn makes sure the gadget ends up in schools or other organizations that might have the need.

Every year thousands of tons of electronic waste ends up in the wrong hands or in the wrong place. Electronic appliances contain different substances that could cause harm for people and environment if not managed properly or dumped on a landfill. Our priority is to ensure that the electronic waste we produce, always is taken care of in a responsible and environmental friendly way. Therefore - to ensure that our electronic waste do not end up as landfill - we send our old electronics to schools and other organizations for reuse or to a licensed disassembling center for recycling. In this way an old laptop can be used again or become a PET-bottles or shoes.



Did you know?



We have electric cars for employees in Oslo and electric bicycles for employees in Trondheim.



CLIMATE CHANGE

Climate change is a global environmental issue with a direct financial impact for the insurance industry. As the leading property and casualty insurance company in the Nordic countries, our ambition is to be frontrunners in managing risks from climate change. We believe that in order to achieve credibility on the market, we must also “live what we preach”, therefore it is essential that we do the utmost - make it a top priority - to minimize and mitigate the impact of the CO₂ emissions our own activities cause.

Climate impact accounting

The total amount of direct and indirect CO₂ from Nordic operations during 2011 was 14 719 tons, which is 5 per cent reduction compared to previous year (15 485 tons CO₂). See page 22 for detailed results. Purchased energy contributes to 30% and business travel (air, train and car) to 70% of our total impact. The total emissions from business travel are almost 10 000 tons of CO₂ (10 744 tons of CO₂, in 2010). Of all the means of transportation we use, air travel has the largest impact per travelled km, which makes it the most significant source of emissions.

We follow the Greenhouse Gas Protocol guidelines in order to estimate estimating the climate impact of our operations.

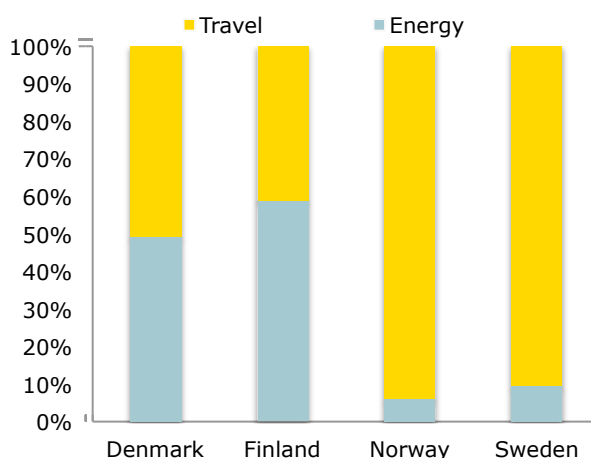
Research

We support climate change related research through Nordforsk, which is an institution operating under the auspices of the Nordic Council of Ministers. If supports and funds the Nordic Strategic Adaptation Research program, Nordstar, which is a research program focusing on developing tools to help the Nordic countries address the twin challenge of a warmer climate and the side effects of policy impacts, i.e. to help Nordic countries maintain competitive advantages and identify cost-effective adaptation measures.

Initiatives and memberships

In addition to our own emission reduction program we collaborate and commit to climate change issues through active participation in variety of networks. Since 2010 If is member of the ClimatWise network, a collaborative insurance initiative through which members work together to respond to the risks and opportunities of climate change.

Distribution of CO₂ emissions per country



If is also a signatory to "The 2°C Challenge Communiqué" where we together with 349 signatories call on governments to break the standstill in the international negotiations and take radical action at a national level to ensure a successful transition to a climate smart economy. If Sweden also participates in Klimatpakten - collaboration and communication network where companies work towards a common ambition to reduce CO₂ emissions in the Stockholm region.

Carbon Offset

Since 2011, all CO₂ emissions arising from our own operations are compensated (carbon offset) through a United Nations Clean Development Mechanism (UN's CDM) project in Gayatri Agro,

India. In 2011 we set off 17 500 tons of CO₂ emission reduction through this project. The amount of CO₂ emissions compensated for corresponds to the emissions from a Boeing flying 50 times around the world.

The project we support in India - Gayatri Agro - contributes to reduction of CO₂ emissions by replacing fossil fuels with biofuels as feedstock for power generation - diesel is replaced with agricultural waste from rice farms. In addition to reducing CO₂ emissions, the project stimulates a sustainable social and economic development in the local community. The project has created new jobs and also contributed to improve public health by ensuring that the community has access to clean water.



From an environmental point of view it is absolutely essential that local renewable resources are prioritized instead of fossil fuels for power generation to meet the growing consumption in India. In addition the specific CDM project that If has invested in also contributes to better living standards in the local community – Jens Olejak, Head of Carbon Offset Respect Sustainable Business AB

Did you know?



We have launched our Facebook page – platform for everyone who wants to participate in our stakeholder dialogue and help us to become even better.

If ENVIRONMENTAL DATA

Energy and CO₂ emissions

If CO₂ emissions summary 2010-2011 by scope

Scope 1 (direct fuel consumption and emissions by type)					
	2010		2011		Change in emissions (%)
	Consumption (m ³)	Emissions (tons CO ₂)	Consumption (m ³)	Emissions (tons CO ₂)	
Petrol	15	37	9	22	-41 %
Diesel	45	115	62	160	+39 %
Biogas	4570	0	6854	0	-
Natural gas	3590	8	5386	12	+50%
Ethanol E85	48	21	46	20	-5 %
Sum	8268	181	12357	214	+18 %

*If vehicle fleet fuel consumption

Scope 2 (indirect energy consumption and emissions by type)					
	2010		2011		Change in emissions (%)
	Consumption (MWh)	Emissions (tons CO ₂)	Consumption (MWh)	Emissions (tons CO ₂)	
Electricity	19126	2087	18409	2263	+8 %
District heating	16340	2270	13181	2068	-9 %
District cooling	7053	161	5849	136	-16 %
Sum	42519	4518	37439	4467	-1 %

Scope 3 (other indirect emission sources)					
	2010		2011		Change in emissions (%)
	Use	Emissions (tons CO ₂)	Use	Emissions (tons CO ₂)	
Business air travel (km)	19141890	8212	19238193	8309	+1 %
Business train travel (km)	3156959	19	1698252	19	0 %
Business car* travel (km)	13020777	2513	9249825	1670	-34 %
Petrol (km)	5400759	1103	3952668	763	-31 %
Diesel (km)	6916280	1356	4481182	840	-38 %
Ethanol (km)	451422	27	503965	32	+19 %
Biogas (km)	45823	2	48599	2	0 %
Natural gas (km)	0	0	48599	7	-
Hybrid (km)	206495	25	214812	26	+4 %
Copy paper use (ton)	141	42	127	38	-10 %
Sum	-	10786	-	10036	-7 %
Total Scope 1, 2, and 3		15485		14719	-5 %

*Taxi, rented cars, personal cars

If CO₂ sources and emissions by country and scope 2011

	Denmark	Finland	Norway	Sweden	Sum	Denmark	Finland	Norway	Sweden	Sum
Scope 1 (direct fuel consumption* by type, m³)						Scope 1 emissions (tons CO₂)				
Petrol	2	2		5	9	5	5		12	22
Diesel	27	6	4	25	62	71	16	10	63	160
Biogas				6854	6854				0	0
Natural gas				5386	5386				12	12
Ethanol E85				46	46				20	20
Sum	29	8	4	12316	12357	76	21	10	107	214

*If vehicle fleet fuel consumption

	Denmark	Finland	Norway	Sweden	Sum	Denmark	Finland	Norway	Sweden	Sum
Scope 2 (indirect energy consumption, MWh)						Scope 2 emissions (tons CO₂)				
Electricity	1189	6604	7765	2851	18409	674	1519	70	0	2263
District heating	691	7580	1697	3213	13181	94	1554	145	275	2068
District cooling		613	727	4509	5849		14	17	105	136
Sum	1880	14797	10189	10573	37439	768	3087	232	380	4467

	Denmark	Finland	Norway	Sweden	Sum	Denmark	Finland	Norway	Sweden	Sum
Scope 3 (other indirect emission sources)						Scope 3 emissions (tons CO₂)				
Business air travel (km)	1431 934	4620086	6602553	6583620	19238193	627	1937	2922	2823	8309
Business train travel (km)	19800	1445014	114344	119094	1698252	1	18	0	0	19
Business car* travel (km)	462230	873447	3389800	4524348	9249825	93	173	679	725	1670
Petrol (km)	230909	323856	1205074	2192829	3952668	48	67	249	399	763
Diesel (km)	230378	530349	2172086	1548369	4481182	45	104	428	263	840
Ethanol (km)	943	19242	12640	471140	503965	0	2	2	28	32
Biogas (km)				48599	48599				2	2
Natural gas (km)				48599	48599				7	7
Hybrid (km)				214812	214812				26	26
Copy paper use (ton)	12	48	30	37	127	4	14	9	11	38
Sum						725	2142	3610	3559	10036
Total emissions, Scope 1, 2, and 3 (tons CO₂)						1569	5250	3853	4047	14719

*Taxi, rented cars, personal cars

Materials and waste

Water consumption by country

	Denmark	Finland	Norway	Sweden	Sum
Water consumption (m ³)	2124	14487	14860	14864	46335

Paper and printed materials by weight by country

	Denmark	Finland	Norway	Sweden	Sum
Copying paper	12	48	30	37	127
Printed material	25	133	184	101	443
Marketing material	n.a.	120	50	143	313
Sum (tons)	37	301	264	281	883

Produced and recycled waste by country

	Denmark	Finland	Norway	Sweden	Total
Recycled and/or reused (tons)					
Mixed waste	n.a.	25	0	0	25
Paper and cardboard	n.a.	97	113	111	321
Waste IT products	n.a.	1	1	0	2
Domestic waste (organic)	n.a.	33	35	10	78
Metal, glass	n.a.	19	9	2	30

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