



**TAPIOLA**

## Making Responsibility an Everyday Issue

Summary of Tapiola's Corporate  
Social Responsibility Report 2008



*"Tapiola wishes to be a forerunner as a responsible provider of Finnish financial services. Our owner-customers have confidence in us and expect us to develop sustainable solutions for their success and wellbeing. The role of responsible solutions is emphasised when adapting to the impacts of a financial crisis of this scale at the company level."*

## Tapiola's operations are based on responsibility

**Success in the financial services sector** calls for responsibility. Tapiola is a mutual company, which means the companies in our Group are owned by their customers. Because there are no external investors, profits can be used to develop customer benefits and services. At best such communality is something more than customer orientation, which is the prerequisite of a successful business. Our owner-customers are increasingly involved in the development of Tapiola's products and services. We are expected to operate responsibly.

**Tapiola is one of the largest** financial services providers in Finland, offering customers insurance, banking and asset management services that they value greatly. Our owner-customers are served by more than 3,000 Tapiola employees around the country.

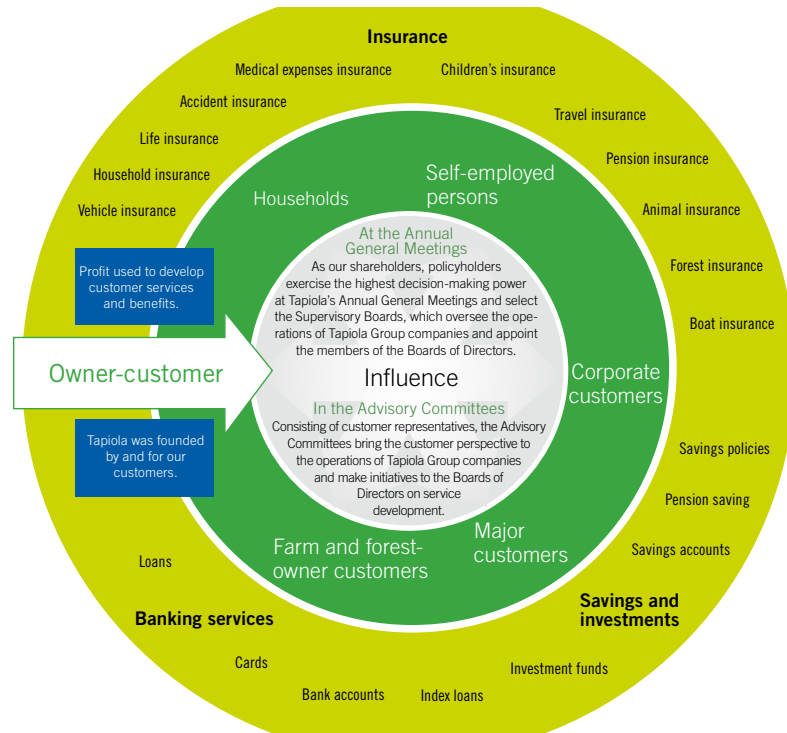
**Tapiola's fundamental mission** is to provide its customers with benefits and sustainable solutions for wellbeing and success on the basis of the Group's shared values.

## Tapiola Group companies

<b>HR Services</b> Sirpa Kaisanlahti Director	<b>Chairman of the Board</b> Asmo Kalpala President	<b>Tapiola General</b> Juha-Pekka Halmeenmäki, Managing Director Jukka Kinnunen, Deputy Managing Director
<b>Financial and Information Management Services</b> Markku Paakkanen, Director Kalervo Rinne, Director Information Management		<b>Tapiola Life</b> Minna Kohmo, Managing Director Janne Pesonen, Deputy Managing Director
<b>Tapiola Data Ltd</b> Markku Paakkanen, Chairman of the Board Juha Suutala, Managing Director	<b>Group Services to private households</b> Arto Jurtila Member of the Board Group Director	<b>Group Services to Companies, Major Clients and Organisations</b> Antti Calonius Member of the Board Group Director
<b>Investment Services</b> Jari Eklund, Director Hanna Hiidenpalo, Director (Tapiola Pension)	<b>Marketing and Customer Management Services</b> Communication Services	<b>Group Bank, Savings and Investor Services</b> Jari Saine Member of the Board Group Director
<b>Legal Services</b> Jaakko Gummerus, Director	<b>Major Clients Services, International Operations and Brokers</b>	<b>Tapiola Corporate Life</b> Minna Kohmo, Managing Director Janne Pesonen, Deputy Managing Director
<b>External Relations &amp; Corporate Social Responsibility (CSR)</b> Anu Pytkkänen, Director	<b>Sales, Telephone and Online Services</b> Ann Wahroos-Jaakkola Director	<b>Tapiola Pension</b> Satu Huber, Managing Director Keijo Kouvonon, Deputy Managing Director
		<b>Tapiola Bank Ltd</b> Jari Saine, Chairman of the Board Harri Lauslahti, Managing Director
		<b>Tapiola Asset Management Ltd</b> Jari Saine, Chairman of the Board Tom Lijeström, Managing Director
		<b>Tapiola Real Estate Ltd</b> Jari Eklund, Chairman of the Board Vesa Immonen, Managing Director

## Tapiola's values

- Customer benefits
- Shared success
- Entrepreneurship
- Ethical activity



## Solvency and long-term planning for the benefit of our customers

**Economic responsibility** means looking after the company's operational and financial viability to make sure it remains healthy and solvent when customers' savings, pensions or other payments fall due. In practice this calls for growth, profitability, long-term planning, efficiency and competent risk management. All four of the Tapiola Group insurance companies have long been among the most solvent companies in Finland. Their solvency has been boosted in good years, so we are able to face the financial crisis from a stronger basis than our competitors.

Cost-efficiency and a stable financial foundation are also key elements in the operating principles of Tapiola Bank and our other financial services companies. The focus in our investment activities is on security and productivity. When selecting investment objects, we seek to avoid those whose approach is in conflict with our values. In 2008 Tapiola Pension signed the UN Principles for Responsible Investment and it was also voted as the best asset management firm in Finland by investment market professionals.

Loyal insurance and banking customers enjoy excellent customer benefits with Tapiola. In 2008 our customer discounts and benefits totalled EUR 118.9 million. Our customer benefits consist of customer

bonuses, bundling benefits, discounts, bank interest rate benefits and service benefits. Operating surplus is used for the benefit of owner-customers to boost the company's solvency and ensure the payment of benefits to customers as well as service development in the future too.

## Recognitions

In the 2008 Thomson Reuters Extel Survey investment market professionals voted Tapiola Pension as **the best** asset management firm in Finland.

According to the Taloustutkimus/*Markkinointi ja Mainonta* Most Respected Brand 2008 survey, Tapiola is the **most respected** insurance company brand in Finland, and Tapiola came third in the list of most respected financial services brands.

The results of the TNS Gallup Farm Insurance Barometer show Tapiola has remained the market leader, being the primary insurance provider for 42 % of Finnish farms.

Tapiola's banking, savings and investment services **ranked highly** in independent comparisons commissioned by the media.

Tapiola's investment funds ranked highly in comparisons conducted by independent fund analysts.

## Insisting on genuine care

Social responsibility includes responsibility for the well-being of people and communities and meeting stakeholder expectations. Our objectives are divided into three areas: responsibility to personnel, responsibility to customers and responsibility to other stakeholders. Responsibility is important for a group like Tapiola. All our operations and decision-making processes must stand up to open and transparent scrutiny.

The number of our employees has risen considerably in recent years as a result of the growth in our operations. Tapiola is a secure employer that offers good employee benefits, including the personnel fund and the properties available for recreational use.

Employee key figures	2006	2007	2008
Number of employees	2 821	3 007	3 146
Men %	34	33	33
Women %	66	67	67
Training costs, EUR m	2.2	2.1	2.9
Sick leaves, % of target working hours	4.4	4.4	4.4
Employee wellbeing, average	8.2	8.2	8.4

## Appreciation in interaction with stakeholders

Tapiola's customer service model for consumers is based on care and coverage reviews.

Our cooperation with corporate customers is based on partnership.

We are constantly developing our insurance and claims services for private and corporate customers. For example, the telephone claims service makes the process a lot quicker and easier.

In the Epsi Rating 2008 survey Tapiola's customer service came **second best** among Finnish insurance companies.

For the sixth time in a row, the Tapiola Group was rated **the most trustworthy** insurance company in Finland in the Trusted Brand survey conducted by Reader's Digest.

A total of 69% household customers **are willing to recommend Tapiola**, with the rate among banking customers as high as 83%.

## Concern for the environment is everyone's responsibility

Key issues in our environmental responsibility are efficient and economical use of natural resources, risk management and consideration for the environment in our daily operations and decision-making. Our sector is not among the significant polluters of the environment, but our indirect impact is high. Fire prevention is an excellent example of indirect environmental action. We help our corporate customers promote their environmental objectives and prevent damage. Most claims can be made over the phone or online, which saves paper.

We can also work indirectly for the benefit of the environment in our investment activity and as a major property owner and developer.

#### Examples of our environmental actions:

- Use of CO<sub>2</sub> neutral electricity reduced our head office CO<sub>2</sub> emissions by 15%.
- Decision made to switch to low-emission company cars.
- Online service provision being made more efficient.
- Use of electronic customer agreements being maximised.
- E-invoicing being expanded gradually, and invoices received by Tapiola processed electronically.
- Corporate customers' periodic communications (such as payroll reports) submitted electronically.
- Most claims can be made over the phone or online.
- The bulk of communications between care facilities takes place electronically.
- Videoconferencing is favoured to cut travel costs.

Every Tapiola employee workstation has MS Office Communicator to enable participation in meetings without leaving their office.

#### Commitments

- The Green Office Environmental Management System of the World Wildlife Fund (WWF)
- The International Chamber of Commerce (ICC) Business Charter for Sustainable Development
- The UN Principles for Responsible Investment (Tapiola Pension)

## Tapiola is a strong regional influencer

We are an active influencer wherever we operate and participate in local cultural and sports activity. Through our policies and services, we are able to contribute to the viability of Finnish regions. Our entrepreneur-based office concept allows us to extend personal services to smaller population centres too. Local office startups and closures are always based on a shared view between the local entrepreneur and Tapiola.

Our impact on employment and purchasing power can be measured on the basis of salaries and wages paid in local units, excluding other personnel costs. Wellbeing generated for local residents and taxpayers can be measured on the basis of insurance premiums earned and claims paid in a region. The number of customers is an indicator of how many people's lives and assets Tapiola secures. The regional distribution of Tapiola Bank's lending and deposits is an indicator of the availability of its banking services.

## Tapiola's regional impacts in figures

Region	Number of employees in regional organisation	Number of agents	Salaries and fees € thousand	Insurance premiums € thousand	Claims paid € thousand	Number of private customers	Number of corporate customers	Procurement in the region € thousand
Helsinki Metropolitan Area	154	149	8 639	765 380	131 519	165 976	3 728	1 297
Southwestern Finland	102	301	8 367	247 889	70 545	127 628	2 522	1 293
Western Finland	155	493	11 542	432 111	113 649	206 652	4 017	2 001
Southeastern Finland	93	205	6 552	243 505	57 645	106 097	2 392	881
Eastern Finland	93	343	6 881	224 121	67 643	115 766	2 537	996
Northern Finland	123	380	10 044	284 192	119 244	154 259	3 490	1 306
Total	720	1871	52 025	2 197 198	560 245	876 978	18 686	7 774

Goods and services purchased by Tapiola from local enterprises also support regional business, and procurement takes place in accordance with the Group's common purchasing policy.

In addition to Tapiola's own agents, Tapiola's life and employee insurance policies are sold by 355 Turva agents. There are also 1,703 motor trader agencies.

## Partners also selected on the basis of responsibility

We select our partners from organisations whose values are similar to ours. We provide sponsorship on the basis of the principles of responsibility and donate funds to actors promoting the public benefit, including support to children and young people, disadvantaged persons and veterans of war, the natural environment and arts as well as a friend visitor service for the aged.

### Our main partners:



**To read more visit:** [www.tapiola.fi](http://www.tapiola.fi) > English > Tapiola Group > Society and environment



Tapiola Group  
FI-02010 Tapiola, Finland  
Street address: Revontulentie 7,  
Tapiola, Espoo, Finland

Head office: +358 9 4531  
Customer service: +358 1019 5100

Website: [tapiola.fi](http://tapiola.fi)