

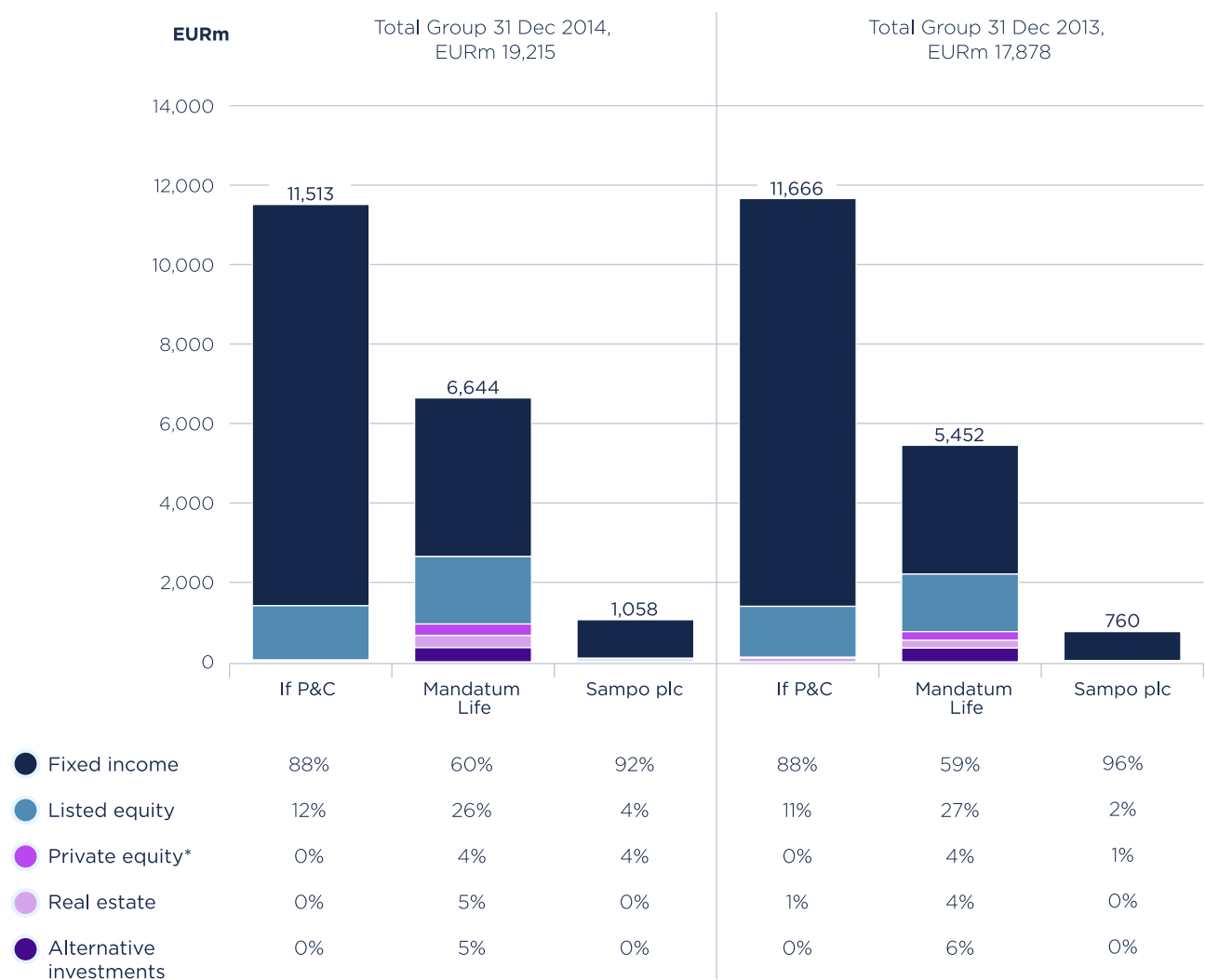
Asset Allocations and Investment Returns

The total amount of Sampo Group's investment assets as at 31 December 2014 was EUR 19,215 million (EUR 17,878 million in 2013). Mandatum Life's investment assets do not include assets, which are covering unit-linked contracts. The compositions of the investment

portfolios by asset classes in If P&C, Mandatum Life and Sampo plc at year end 2014 and at year end 2013 are shown in the figure Development of Investment Portfolios, If P&C, Mandatum Life and Sampo plc, 31 December 2014 and 31 December 2013.

Development of Investment Portfolios

If P&C, Mandatum Life and Sampo plc, 31 December 2014 and 31 December 2013



Sampo plc has a liquidity portfolio consisting mainly of money market instruments and a long-term portfolio including subordinated debt instruments issued by the insurance subsidiaries and the associated companies. The investments of Mandatum Life's Baltic subsidiary are included in Mandatum Life's investment assets as equity in all tables and graphs in this Risk Management section.

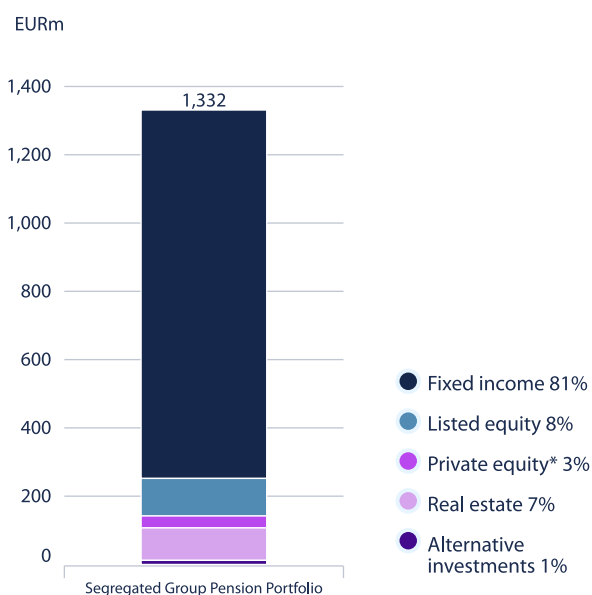
*) Private Equity also includes direct holdings in non-listed equities.

The composition of the Mandatum Life's segregated group pension portfolio by asset classes at year end 2014 is shown in the figure Composition of Investment

Portfolio, Mandatum Life's Segregated Group Pension Portfolio, 31 December 2014.

Composition of Investment Portfolio

Mandatum Life's Segregated Group Pension Portfolio, 31 December 2014



The segregated assets have not affected the profit figures of 2014.

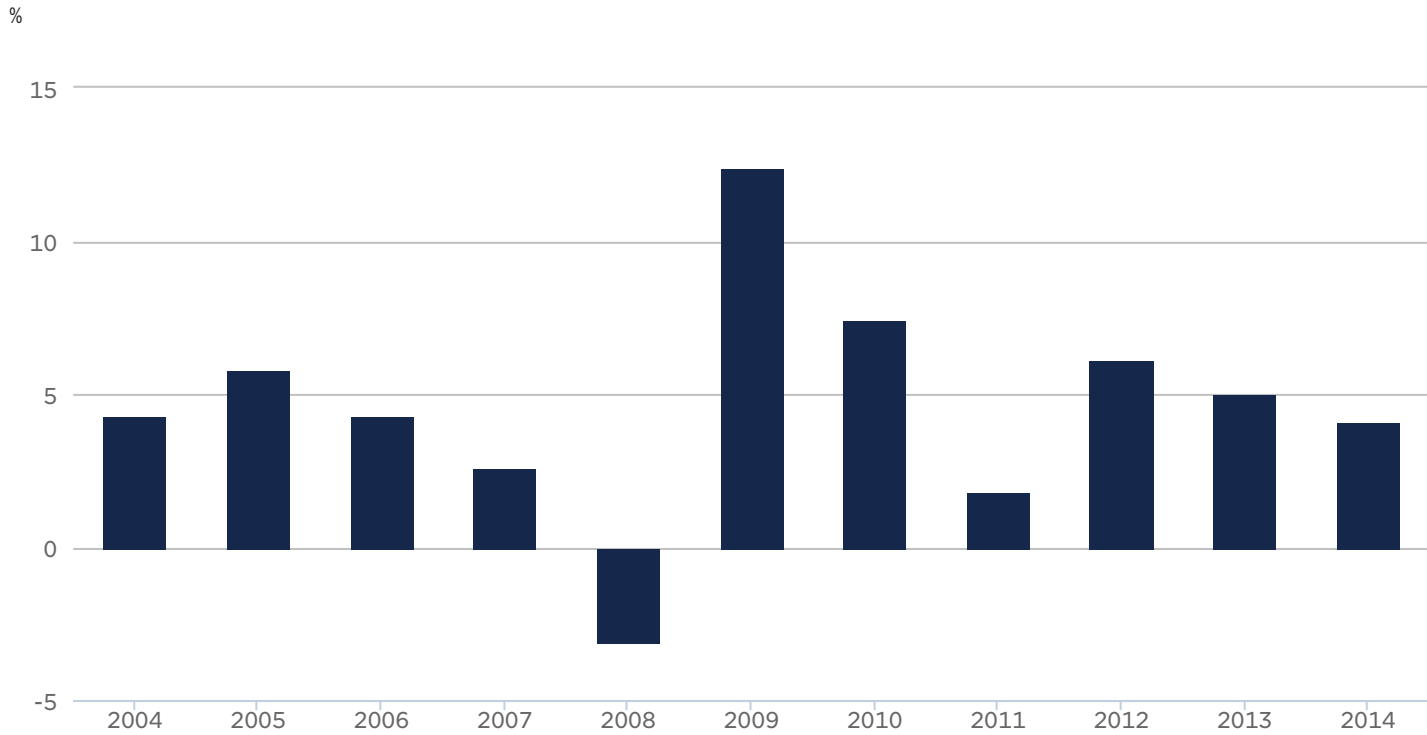
*) Private Equity also includes direct holdings in non-listed equities.

The insurance liabilities as well as the risk appetite of Mandatum Life and If P&C differ and as a result, the structures and risks of investment portfolios of the two companies are often different. This is reflected also in the companies' investment returns. Mandatum

Life has had on average higher returns and higher volatility. The figure Annual Investment Returns at Fair Values, If P&C and Mandatum Life, 2004-2014 presents the historical development of investment returns.

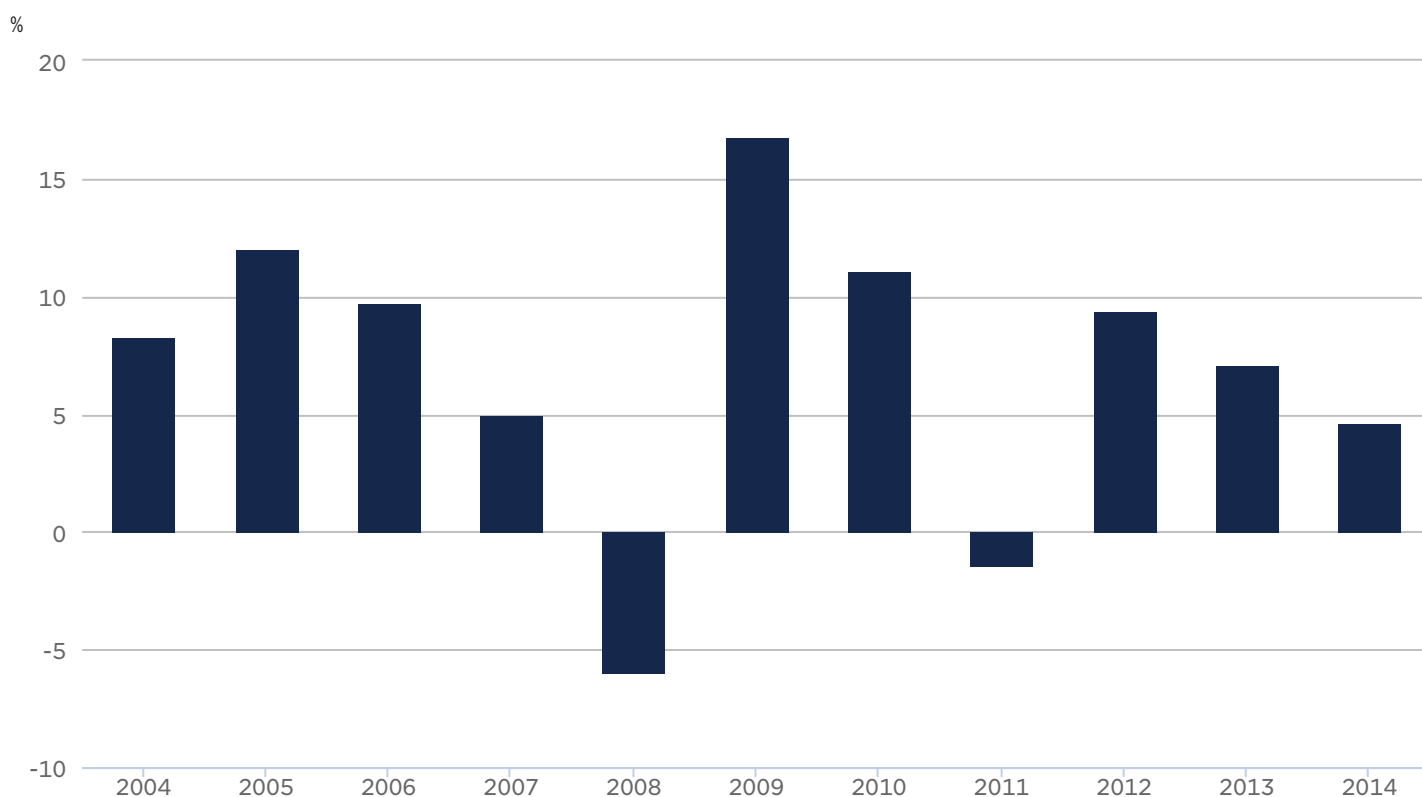
Annual Investment Returns at Fair Values

If P&C, 2004-2014



Annual Investment Returns at Fair Values

Mandatum Life, 2004-2014



The weighted average investment return of the Group's investment portfolios (including Sampo plc) in 2014 was 4.3 per cent (5.6 per cent in 2013).

Mandatum Life, Sampo plc and Sampo Group as of year-end 2014 are presented in the table Investment Allocation, If P&C, Mandatum Life, Sampo plc and Sampo Group, 31 December 2014.

More detailed investment allocations and average maturities of fixed income investments of If P&C,

Investment Allocation

If P&C, Mandatum Life, Sampo plc and Sampo Group, 31 December 2014

Asset class	If P&C			Mandatum Life			Sampo plc			Sampo Group		
	Market value, EURm	Weight	Average maturity, years	Market value, EURm	Weight	Average maturity, years	Market value, EURm	Weight	Average maturity, years	Market value, EURm	Weight	Average maturity, years
FIXED INCOME TOTAL	10,104	88%	2.4	4,015	60%	1.9	920	87%	0.8	15,040	78%	2.1
Money market securities and cash	1,472	13%	0.3	1,676	25%	0.4	773	73%	0.1	3,921	20%	0.3
Government bonds	2,080	18%	3.1	452	7%	2.4	0	0%	0.0	2,532	13%	3.0
Credit bonds, funds and loans	6,553	57%	2.6	1,876	28%	3.1	147	14%	4.3	8,576	45%	2.7
<i>Covered bonds</i>	2,750	24%	2.3	93	1%	2.6	0	0%	0.0	2,844	15%	2.3
<i>Investment grade bonds and loans</i>	1,863	16%	2.2	457	7%	2.1	112	11%	4.7	2,431	13%	2.3

High-yield bonds and loans	1,701	15%	3.6	1,118	17%	3.5	5	0%	4.7	2,823	15%	3.6
Subordinated / Tier 2	200	2%	2.6	39	1%	3.3	0	0%	0.0	240	1%	2.7
Subordinated / Tier 1	39	0%	0.6	170	3%	3.3	30	3%	2.7	240	1%	2.8
Hedging swaps	-1	0%	-	-1	0%	-	0	0%	-	-2	0%	-
Policy loans	0	0%	0.0	11	0%	1.8	0	0%	0.0	11	0%	1.8
LISTED EQUITY TOTAL	1,367	12%	-	1,698	26%	-	41	4%	-	3,105	16%	0
Finland	0	0%	-	590	9%	-	41	4%	-	631	3%	-
Scandinavia	987	9%	-	16	0%	-	0	0%	-	1,003	5%	-
Global	380	3%	-	1,091	16%	-	0	0%	-	1,471	8%	-
ALTERNATIVE INVESTMENTS TOTAL	45	0%	-	951	14%	-	47	4%	-	1,042	5%	-
Real estate	23	0%	-	307	5%	-	2	0%	-	332	2%	-
Private equity*	22	0%	-	288	4%	-	45	4%	-	355	2%	-
Biometric	0	0%	-	18	0%	-	0	0%	-	18	0%	-
Commodities	0	0%	-	0	0%	-	0	0%	-	0	0%	-
Other alternative	0	0%	-	338	5%	-	0	0%	-	338	2%	-
TRADING DERIVATIVES	-2	0%	-	-19	0%	-	51	5%	0.0	29	0%	-
ASSET CLASSES TOTAL	11,513	100%	-	6,644	100%	-	1,058	100%	-	19,215	100%	-
FX Exposure, gross position	231	-	-	669	-	-	707	-	-	1,608	-	-

*)Private Equity also includes direct holdings in non-listed equities

Parent company Sampo plc's asset portfolio is a liquidity reserve including mainly short-term money market instruments and hence its market risks are limited. Interest rate risk arising from gross debt and the liquidity reserve is Sampo plc's most significant market risk together with refinancing risk related to gross debt. Most of the parent company's debt is tied to short-term reference rates as a consequence of interest rate swaps used. This mitigates group level interest rate risk because, while lower interest rates would reduce subsidiaries' investment returns in the long-term, the interest expense in the parent company would also be lower.

Fixed income investments and listed equity instruments form major part of the subsidiaries' investment portfolios. Money market securities, cash and investment grade government bonds form a liquidity buffer within fixed income investments. The average maturity of fixed income investments was 2.4 years in If P&C and 1.9 years in Mandatum Life.

Both If P&C and Mandatum Life are exposed to interest rate and currency risks (general market risks) as well as to equity and spread risks.

Additionally, If P&C and Mandatum Life have real estate, private equity, biometric and other alternative investments. The Investment Policies set limits for maximum allocations into these asset classes and products. On 31 December 2014, the combined share of the above mentioned investments was 5.4 per cent of the total investment portfolio of Sampo Group. In If P&C the proportion was 0.4 per cent and in Mandatum Life it was 14.3 per cent. These asset classes are managed in most cases by external asset managers with the exception of the Group's real estate portfolio that is managed by Sampo Group's real estate management unit. The real estate portfolio includes both direct investments in properties and indirect investments in real estate funds as well as in shares and debt instruments in real estate companies.