

Sampo Group Steering Principles and Risk Management Process

Sampo Group's legal structure is straightforward and simple. The simplicity and transparency of the legal structure together with a limited amount of intercompany exposures within Sampo Group (i.e. direct or indirect claims between different companies excluding normal business transactions with Nordea) and diligently managed capitalization of subsidiaries effectively prevent any risks related to complex structures as well as protect the Group companies from contagion risks. Further information on Sampo Group's structure is available at www.sampo.com/structure.

The subsidiaries do not normally invest in Sampo plc's debt instruments, but Sampo plc as a parent company invests in capital instruments issued by subsidiaries and associated companies. However, it has not been

deemed necessary to prohibit investments in intra-group assets and, thus, subsidiaries are also allowed to invest in the parent company's debt instruments and sell assets to each other at market prices, especially when this is justified by business opportunities. Thus, during possible market stresses these options are available to a certain extent as well. Moreover, in Mandatum Life there may be investments in Sampo plc's debt instruments related to unit-linked policies.

When Sampo Group is organizing its business activities, clear responsibilities and simple and flat operational structures are the profound principles. The responsibilities and operational structures are described in the following paragraphs as illustrated in the following figure.

Sampo Group's Steering Structure



