MARCH 2014

REMUNERATION REPORT

SAMPO GROUP

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Sampo Group Remuneration report

Sampo complies in full with the Finnish Corporate Governance Code issued by the Securities Market Association effective from 1 October 2010. This remuneration report has been drawn up in accordance with section 7 ('Remuneration') of the Corporate Governance Code. The Code can be viewed in its entirety on the Securities Market Association's website at www.cgfinland.fi.

Sampo Group Remuneration Principles, approved on 4 November 2013, describe the remuneration structure and the principles used in setting up remuneration systems within the general governance framework and according to the Sampo Group Risk Management Principles. The Remuneration Principles apply to all companies within Sampo Group and are available at www.sampo.com/remuneration.

Remuneration Principles in Sampo Group

The core of the Remuneration Principles is that all remuneration systems in Sampo Group shall safeguard the financial stability of the Group and comply with regulatory and ethical standards. They shall also be designed to balance the interests of different stakeholder groups such as shareholders, employees, customers and supervisory authorities. Furthermore, all compensation mechanisms shall be designed in parallel with the Risk Management Principles.

The starting point of any compensation mechanism shall be to encourage and stimulate employees at all levels to do their best and surpass their targets. Remuneration packages shall be designed to reward employees on all levels, compensating them fairly for prudent and successful performance. At the same time, however, in order to safeguard the interest of other stakeholders, compensation mechanisms shall neither entice nor encourage employees to excessive or unwanted risk taking. Thus, compensation mechanisms cannot be separated from risk management practices.

With regard to the various forms of remuneration, the guiding principles are that:

Fixed compensation (fixed salary) shall support financial stability, represent a sufficiently high share of the total remuneration and be competitive but not leading in the market.

Variable compensation shall be used to ensure the competitiveness of total remuneration packages while still keeping the fixed cost base reasonable. Variable compensation mechanisms shall ultimately be based on the employer's unilateral decision and contain clauses allowing the Board to scale down or cancel payment if necessary e.g. because of the financial situation of the company. Variable compensation can either be based on the contribution to the company's profitability (e.g. short-term incentive programs) or linked to committing employees to the Group for a longer period of time (long-term incentive programs). Long-term incentive programs shall be designed to also align the participants' interests with those of the shareholders' by linking the payout of the programs not only to certain performance criteria, but also to the development of Sampo's share price.

Pensions shall as a general rule be of defined contribution nature.

Other benefits shall reflect the conditions in the relevant labor markets.

Deferral of Variable Compensation

The payment of a certain portion of the variable compensation payable to Senior Executive Management and to certain key persons shall be deferred for a defined period of time as required in the regulatory framework applicable to each Group company. After the deferral period, a retrospective risk adjustment review shall be carried out and the Board shall decide whether the deferred variable compensation shall be paid out in full, partly or omitted in whole. For the year 2013, parts of short-term incentives have been deferred. Payouts from agreements or programs decided prior to the publishing of FSA deferral recommendations have not been deferred.

Remuneration of the Board of Directors

According to Sampo's Articles of Association, the Annual General Meeting decides on the compensation of the members of the Board of Directors.

In accordance with the decision of the Annual General Meeting in 2013, the following annual fees were paid to members of the Board of Directors for their Board and committee work up to the close of the Annual General Meeting in 2014: EUR 160,000 to the Chairman, EUR 100,000 to the Vice Chairman and EUR 80,000 to the other members of the Board. Each Board member has in accordance with the resolution of the Annual General Meeting acquired Sampo plc's shares at the price paid in public trading for 50 per cent of his/her annual fee (excluding potential statutory social and pension costs) after deduction of taxes and similar payments. The members of the Board of Directors acquired 6,580 Sampo A shares with said annual fees during 2013. The shares are not subject to any lock-up period.

The members of the Board of Directors are not in an employment or service relationship with the company and are not covered by the remuneration systems.

Remuneration of the Group CEO and the Group Executive Committee

The Board of Directors decides, on the basis of the proposal by the Nomination and Compensation Committee, the terms of employment and remuneration of the Group CEO, as well as the variable compensation of the other members of the Sampo Group Executive Committee. The Board of Directors has authorized the Nomination and Compensation Committee to decide the fixed remuneration of the members of the Group Executive Committee except for the Group CEO.

In addition to receiving monthly salaries, the members of the Group Executive Committee are participants in the company-specific short-term incentive programs, which are decided upon separately each year. The short-term incentive is determined on the basis of the Group result, individual performance, and where applicable, the business area result. The maximum amount that can be paid for 2013 to members of the Group Executive Committee corresponds to nine months' fixed salary.

Members of the Group Executive Committee are also participants in the long-term incentive schemes for Sampo plc's management (2011:1 and 2011:1/2). In 2013, the last installment was made from the long-term incentive scheme 2009:1. The terms of the incentive schemes specify the program-specific performance conditions and the maximum value of the incentive reward and are available on Sampo's website at www.sampo.com/incentiveterms.

The Group Executive Committee, excluding the Group CEO, was for 2013 paid EUR 2,879,440 in fixed salaries, EUR 714,102 in short-term incentives (excluding deferred compensation) and EUR 7,218,575 in long-term incentives, together totaling EUR 10,812,117. This amount includes share purchases under the terms of the long-term incentive programs. Through long-term incentive program transactions the Group Executive Committee, excluding the Group CEO, acquired 31,512 Sampo A shares in 2013. These shares are subject to a lock-up period of 2 years. The short-term incentives deferred in 2013 amount to EUR 933,249 and can be paid out earliest 2016.

The members of the Group Executive Committee are each covered by the employment pension system of their country of residence. Under the terms of their employment contracts, the majority of them are also covered by supplementary pension schemes, of which part are of the defined benefit type and part of the defined contribution type. The retirement age for the Group Executive Committee's members, as set out in their contracts, is 60 or the flexible age laid down in the employment pension system of their country of residence.

Financial benefits included in the Group CEO's service relationship

The Board of Directors elects and releases the Group CEO, and decides on the Group CEO's remuneration and other terms of employment. During 2013 Sampo's Group CEO was Kari Stadigh.

For the period 1 January to 31 December 2013, the Group CEO was paid EUR 902,961 in fixed salary, EUR 288,996 in short-term incentives (excluding deferred compensation) and EUR 2,338,000 in long-term incentives, together totaling EUR 3,529,957. This amount includes share purchases under the terms of the long-term incentive programs. Through incentive program transactions the Group CEO acquired 10,603 Sampo A shares in 2013. These shares are subject to a lock-up period of 2 years. The short-term incentive deferred in 2013 amounts to EUR 290,154 and can be paid out earliest 2016.

The Group CEO's fixed salary includes fringe benefits (mobile telephone, lunch, car benefit) with a total taxation value of EUR 17,928 for 2013. In addition, the Group CEO has an individual supplementary health insurance, the cost of which was EUR 5,403 in 2013.

On 5 November 2013 Sampo's Board of Directors announced that Kari Stadigh will, at the request of Sampo's Board, continue as Group CEO from January 2016 until further notice. According to his current agreement Kari Stadigh is entitled to retire when he turns 60 in December 2015.

The period of notice for terminating the service contract of the Group CEO is six months. In addition to receiving salary for the period of notice, the Group CEO is entitled to severance compensation of 18 months' full salary, provided the service contract was terminated by Sampo plc. In the new service contract entering into force on 1 January 2016, Stadigh has relinquished the right to the afore-mentioned 18 months' severance compensation.

According to his current agreement the Group CEO is entitled to retire in December 2015 when he turns 60. The pension benefit is 60 per cent of his pensionable salary. The pensionable salary includes fixed salary, fringe benefits, holiday pay and short-term incentives and is calculated as an average of two out of the four last full years, where the best and the worst year are left out. The cost for supplementary pension coverage was EUR 1,583,055 in 2013.

To replace the defined benefit supplementary pension agreement stipulated in the service contract for the Group CEO currently in force, a new defined contribution pension agreement will be signed as of 1 January 2016. The annual cost of the agreement for Sampo will be EUR 400,000.

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