

LONG-TERM INCENTIVE SCHEME 2009:1 FOR KEY EMPLOYEES OF SAMPO GROUP

TERMS AND CONDITIONS

1. Incentive scheme for the Sampo Group

On 27 August 2009 the Board of Directors of Sampo plc decided on the long-term incentive scheme for the management of Sampo Group (including the Managing Director of Sampo plc) and other separately named key employees of Sampo Group ("Sampo") in accordance with these terms and conditions. The scheme can be applied to all parts of Sampo Group.

2. Those entitled to participate in the current incentive scheme

The Board of Directors of Sampo plc has authorized the Managing Director of Sampo plc ("CEO") to decide on who will be included in the incentive scheme, as well as the number of incentive units granted for each individual (an **incentive unit** is a theoretical calculation unit that will be used to determine the **incentive reward** as specified in section 4 below). The Board of Directors of Sampo plc has authorized the CEO also to decide on when the incentive units will be granted.

The authorization given by the Board of Directors of Sampo plc to the CEO includes the right to distribute and allocate incentive units to all Sampo Group employees excluding the members of the Group Executive Committee. All decisions concerning the CEO and other members of the Group Executive Committee will be made by the Board of Directors of Sampo plc.

All persons belonging to the scheme ("Key Employee") will be sent a notice notifying them of their participation in the incentive scheme and of the number of incentive units granted to them that will be used to determine their incentive reward.

All notices related to the long term incentive scheme will be made to the Key Employees electronically, in writing or by other means decided by Sampo plc.

3. Payment of the incentive reward

The incentive reward will be paid in three instalments. The first instalment, based on 30 % of the granted incentive units, will be paid by the end of September 2011, the second instalment, based on a further 35 % of the awarded incentive units, will be paid by the end of September 2012, and the third instalment, based on the remaining 35 % of awarded incentive units, will be paid by the end of September 2013.

Sampo plc or the relevant Sampo Group company shall pay the incentive reward to a Key Employee. If an employee changes jobs within the group, the previous employer shall be responsible for all expenses relating to the payment of reward in proportion to the ratio calculated as follows:

$$= \frac{\text{Number of months the employee has worked for the previous employer from the beginning of long term incentive scheme 2009:1}}{\text{Length of the long-term incentive scheme in months}}$$

The granting of incentive units or disbursement of incentive reward under this long term incentive scheme does not constitute a term or condition of the Key Employee's employment relationship, nor does it form a part of the Key Employee's employment contract under applicable local laws. The reward does not form a part of the Key Employee's salary or benefit

of any kind and it is not included in the basis for calculation of pensions unless otherwise required by law or other obligatory regulation.

Pursuant to laws or regulations applicable from time to time, Sampo plc or its Group Companies may be required to collect other than statutory pension premiums, i.e. supplementary pension premiums (such as pension premiums based on collective agreements) upon disbursing the incentive reward to the Key Employees. Key Employees are personally responsible for any supplementary pension premiums associated with the incentive reward paid to the Key Employee. In any case (if not prohibited by applicable laws) the incentive reward shall be reduced by any supplementary pension premiums to be paid by Sampo plc or its Group Companies on behalf of any Key Employee due to the disbursement of the incentive reward.

As a precondition for the payment of the incentive reward, a Key Employee holding at least 20 000 incentive units shall, when the incentive reward is paid or at the first possible opportunity, taking into account the insider regulations, undertake to buy Sampo plc's A-shares on Nasdaq OMX Helsinki Ltd (stock exchange of Helsinki) with 30 % of the incentive reward after deducting taxes and other comparable charges. The obligation to purchase shares shall not apply to Key Employees granted less than 20 000 incentive units, nor to the situations described in sections 5 and 7.

The Key Employee is obliged to keep the shares in his/her possession for two years. However, with the written permission from the CEO, obtained in advance and for a weighty reason, the Key Employee shall have the right to surrender the shares before this deadline of two years. However, such decisions concerning the CEO and members of the Group Executive Committee shall be made by the Board of Directors of Sampo plc.

Deviations to the payment schedule are described in sections 5 and 7.

Furthermore, for the incentive reward to be paid, a Key Employee must be employed by Sampo at the time of payment, unless otherwise decided by the CEO in writing, taking into account the provisions of section 5. However, such decisions concerning the CEO and members of the Group Executive Committee shall be made by the Board of Directors of Sampo plc.

4. The amount of the incentive reward

The incentive reward shall be based on:

- Share price development of Sampo plc's A-share;
- Insurance Margin in If P&C (hereinafter "IM"); and
- The number of theoretical incentive units granted.

The incentive reward to be paid in September 2011 shall be determined as follows:
The value of one (1) incentive unit shall be the trade-weighted average price of Sampo plc's A share on Nasdaq OMX Helsinki Ltd for ten (10) trading days commencing the day of Sampo plc's announcement (including the day of the announcement) of its second quarterly earnings (Q2) for 2011, but not more than 28,49 euros, reduced by the starting price. The starting price shall be the trade-weighted average price of Sampo plc's A-share on Nasdaq OMX Helsinki Ltd during ten (10) trading days as of 28 August 2009, reduced by the combined dividends per share decided up to the payment date (hereinafter the 'starting price'). The above-mentioned trade-weighted average price for the period of August 28 – September 10 2009 is 16,49 euros per share.

The incentive reward to be paid in September 2012 shall be determined as follows:
The value of one (1) incentive unit shall be the trade weighted average price of Sampo plc's A-share on Nasdaq OMX Helsinki Ltd for ten (10) trading days commencing the day of Sampo plc's announcement (including the day of the announcement) of its second quarterly earnings (Q2) for 2012 but not more than 28,49 euros, reduced by the starting price determined above.

The incentive reward to be paid in September 2013 shall be determined as follows:
The value of one (1) calculated incentive unit shall be the trade-weighted average price of Sampo plc's A-share on Nasdaq OMX Helsinki Ltd during ten (10) trading days commencing the day of Sampo plc's announcement (including the day of the announcement) of its second quarterly earnings (Q2) for 2013, but not more than 28,49 euros, reduced by the starting price determined above.

In addition to the above, the calculation of the incentive reward shall take the performance of If P&C IM into account as follows:

Net premiums	-	Claims costs	-	Operating	+ Allocated Investment return transferred
= IM earned				expenses	from the non-technical account

Net premiums earned

The incentive reward to be disbursed on the basis of the IM will be determined as follows:

- If the IM during Q32009 –Q22011 is at least 2% but less than 4%, 50 % of the of incentive reward due will be paid in September 2011.
- If the IM during Q32009 – Q22011 is 4% or above, 100% of the incentive reward due will be paid out in September 2011
- If the IM during Q32009 – Q22012 is at least 2% but less than 4%, 50 % of the of incentive reward due will be paid in September 2012
- If the IM during Q32009 – Q22012 is 4% or above, 100% of the incentive reward due will be paid out in September 2012
- If the IM during Q32009 – Q22013 is at least 2% but less than 4%, 50 % of the of performance related bonus due will be paid in September 2013.
- If the IM during Q32009 – Q22013 is 4% or above, 100% of the performance related bonus will be paid out in September 2013
- If the IM is less than 2 percent during any of the above specified periods, no incentive reward related to that period will be paid at all.

The part of the trade-weighted average price of Sampo plc's A-share that exceeds 28,49 euros (hereinafter the 'maximum value') shall not be taken into account when calculating the incentive reward, and an increase in the trade-weighted average price of the share over 28,49 euros, for the above-mentioned period shall not increase the incentive reward.

Should Sampo plc decide to distribute an extra dividend or a dividend (the record date of which is prior to the payment date) in excess of the profit distribution policy released by Sampo plc from time to time, the Board of Directors of Sampo plc may decide to adjust the maximum value by deducting the aforementioned dividend (to the extent it deviates from the distribution policy) from the maximum value.

The total maximum number of the incentive units shall be 4 500 000.

5. Premature payment of the incentive reward

Mergers and demergers:

If, during the period of validity of this incentive scheme, Sampo plc decides to

- merge with another company as the merging company; or
- merge with a company formed in a combination merger as the merging company, or
- demerge

so that Sampo plc is dissolved and its shares are delisted from Nasdaq OMX Helsinki Ltd, the incentive reward will be paid within two weeks of the time when it was possible to determine the incentive reward. In determining the incentive reward, the value of the incentive unit shall be calculated on the basis of the trade-weighted average price of Sampo plc's A-share on Nasdaq OMX Helsinki Ltd during ten (10) trading days following the General Meeting of Shareholders, and otherwise according to section 4.

Redemption of shares:

If a shareholder is obliged to make a redemption offer or redeem the remaining Sampo plc's shares on the basis of the Securities Market Act, the Finnish Companies Act or Sampo plc's Articles of Association before the incentive reward is paid, the incentive reward will be paid within two weeks of the time when it was possible to determine the incentive reward. In determining the incentive reward, the value of the incentive unit shall be calculated on the basis of the trade-weighted average price of Sampo plc's A-share on Nasdaq OMX Helsinki Ltd during ten (10) trading days following the emergence of the redemption obligation, and otherwise according to section 4.

Termination of employment or service contract:

If a Key Employee resigns from Sampo or is dismissed due to negligence of duties or other reasons attributable to the Key Employee himself/herself, the incentive reward shall not be paid.

If a Key Employee resigns from Sampo for other reasons than those attributable to the Key Employee himself/herself and the employment will be terminated based on a unanimous agreement reached by and between the employee and the employer, the CEO may decide to deviate from the employment requirement referred to in section 3. In such a case the CEO may decide on abandoning the regular pay out schedule and instead pay out the full incentive reward on remaining incentive units in conjunction with the termination of the employment. In such a case the incentive reward shall be paid within two weeks of the time when it was possible to determine the incentive reward. In determining the incentive reward, the value of the incentive units shall be calculated on the basis of the trade weighted average price of Sampo plc's A-share on Nasdaq OMX Helsinki Ltd during ten (10) trading days following the date of termination of the employment or service contract, and otherwise according to section 4.

The authorization given above by the Board of Directors of Sampo plc to the CEO does not include the right to deviate from the employment requirement referred to in section 3 in case the Key Employee is a member of the Group Executive Committee. All such decisions in relation to deviation from the employment requirement of Group Executive Committee member shall be made by the Board of Directors of Sampo plc.

If the employment or service contract of the Key Employee with Sampo is terminated due to production-related and financial reasons, the incentive reward shall be paid in three instalments

pursuant to the terms and conditions referred to in section 3 above. In determining the incentive reward the value of the incentive unit shall be calculated as stated in section 4 above.

If a Key Employee retires, the incentive reward shall be paid in three instalments pursuant to the terms and conditions referred to in section 3 above. In determining the incentive reward, the value of the incentive unit shall be calculated as stated in section 4 above.

If a Key Employee dies, the incentive reward shall be paid within two weeks of the time when it was possible to determine the amount of the incentive reward. The incentive reward shall be paid to the heirs of the Key Employee, a duly appointed estate administrator or representative or other legal beneficiary, to be distributed in accordance with the Key Employee's will or otherwise pursuant to applicable law. In determining the incentive reward the value of the incentive unit shall be calculated on the basis of the trade-weighted average price of Sampo plc's A-share on Nasdaq OMX Helsinki Ltd during ten (10) days following the date of death of the Key Employee, and otherwise according to section 4.

6. Changes in capitalization or corporate structure

If there are changes concerning Sampo plc's shares due to the issue of new shares, changes in shareholders' equity, reclassification or reorganisation of shares, share split or combination of shares, bonus issue or other such arrangement, the Board of Directors of Sampo plc shall inspect and, to the extent necessary, proportionally adjust the number of incentive units in such a manner that the incentive scheme remains unchanged despite the change.

If a significant part of the business of Sampo plc or any other Sampo Group company is assigned during the term of this incentive scheme, the Board of Directors of Sampo plc may, at its sole discretion, amend the performance conditions as regards the IM in a manner deemed appropriate.

7. Significant change of ownership

If at least fifty (50) per cent of the shares of Sampo plc are transferred to one shareholder(s) as stipulated in Chapter 1, section 5, and Chapter 2, section 9 (change of ownership) of the Finnish Securities Market Act before the incentive reward is paid, a Key Employee shall, for a period of three months from the transfer of ownership, have the right to demand that the incentive reward is paid, without undue delay, after the expiration of the said three-month period.

If, as a consequence of a transfer of shares in subsidiary companies of Sampo plc, or a sale of a business previously belonging to Sampo, a Key Employee is no longer employed by or within Sampo, the Board of Directors of Sampo plc may, at its sole discretion, decide to terminate said Key Employee's participation in the Long Term Incentive Scheme 2009:1 and effect payment of his/her incentive reward thereunder within a period of three months from the change of ownership that caused termination of his/her employment by Sampo.

When applying the terms and conditions referred to in this section 7, the incentive reward will be determined and the value of the incentive unit shall be calculated on the basis of the trade-weighted average price of Sampo plc's A-share on Nasdaq OMX Helsinki Ltd during ten (10) trading days following the change of ownership, and otherwise according to section 4.

8. Miscellaneous

The Board of Directors of Sampo plc is entitled to make other than material amendments to these terms and conditions and resolve on practicalities relating to the long-term incentive scheme. In case of materially changed circumstances beyond the control of the company the

Board of Directors of Sampo plc is entitled to amend the agreed arrangement or to postpone the payment of the reward if strict application of the incentive system would have exceptionally adverse implications for the company. The Board of Directors of Sampo plc may also give binding instructions regarding those entitled to incentive reward.

Key Employees shall comply with the terms and conditions of the long-term incentive scheme in force from time to time, as well as any instructions based on such terms given by the Board of Directors of Sampo plc. If a Key Employee breaches these terms and conditions or any instructions, the Board of Directors of Sampo plc may at any time prior to the disbursement of the reward rescind the reward to that Key Employee.

In the event of conflict or discrepancies between the terms and conditions of English document and its translations, the terms and conditions of this English language long-term incentive scheme shall prevail.

These terms and conditions shall be governed by the laws of Finland. Disputes arising out of the terms and conditions will be settled by arbitration in Helsinki in accordance with the Arbitration Rules of the Central Chamber of Commerce of Finland and by one arbitrator appointed by the Central Chamber of Commerce of Finland.

Sampo plc's Board of Director's has the sole power to interpret these terms and conditions.