Agenda

13.45 – 14.00  **Opening remarks**
Torbjörn Magnusson  
*Group CEO and President, Sampo Group, as of 1 Jan 2020*

14.00 – 14.40  **Comeback Sweden**
Per Långsved  
*Country Senior Executive Sweden and Head of Personal Banking Sweden, Nordea*

14.40 – 15.20  **Digital@If**
Morten Thorsrud, *CEO, If P&C*
Ingrid Janbu Holte, *Head of BA Private, If P&C*

15.20 – 15.40  **Coffee break**

15.40 – 16.20  **Finnish Life Insurance Landscape**
Petri Niemisvirta, *CEO, Mandatum Life*

16.20 – 17.00  **Sampo Group’s Capital Position**
Knut Arne Alsaker, *Group CFO, Sampo Group*
Kai Sotamaa, *CRO, Sampo Group*
Disclaimer

This presentation may contain forward-looking statements that reflect management’s current views with respect to certain future events and potential financial performance. Although Sampo believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for Sampo include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate and (iii) developments in capital markets.

This presentation does not imply that Sampo has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.
Opening remarks

Analyst Day, 15 August 2019

Torbjörn Magnusson
Group CEO and President, Sampo Group, as of 1 Jan 2020
Sampo’s total shareholder return vs. comparison index, 10Y

Average annual total return 15%

Source: Refinitiv Datastream
Sampo Group profit before taxes

<table>
<thead>
<tr>
<th></th>
<th>1-6/2018</th>
<th>1-6/2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>If</td>
<td>415</td>
<td>440</td>
</tr>
<tr>
<td>Topdanmark</td>
<td>105</td>
<td>146</td>
</tr>
<tr>
<td>Mandatum Life</td>
<td>313</td>
<td>137</td>
</tr>
<tr>
<td>Nordea</td>
<td>388</td>
<td>222</td>
</tr>
<tr>
<td>Holding (excl. associates)</td>
<td>-46</td>
<td>31</td>
</tr>
<tr>
<td>Sampo Group</td>
<td></td>
<td>1,153</td>
</tr>
</tbody>
</table>

EURm
Outlook for 2019

Sampo Group’s business areas are expected to report good operating results for 2019. However, the marked-to-market results are, particularly in life insurance, highly dependent on capital market developments. The continuing low interest rate level also creates a challenging environment for reinvestment in fixed income instruments.

If is expected to reach a combined ratio of 84–86 per cent in 2019.

With regard to Topdanmark reference is made to the profit forecast model that the company publishes quarterly.

Nordea’s contribution to the Group’s profit is expected to be significant.
Investor Presentation

Nordea Sweden

Per Långsved, Country Senior Executive Sweden and Head of Personal Banking Sweden
15 Aug 2019
Agenda

1. Introduction
2. Personal Banking
3. A challenging transformation
4. Comeback Sweden
5. Building on the positive trend
Personal Banking 2018 overview

Personal Banking at a glance

- Universal relationship bank strategy
- Omnichannel service model is increasingly anchored around our mobile banking app

~360 Branches
~9 million customers
~145 EURbn in lending
~76 EURbn in deposits

Income¹

<table>
<thead>
<tr>
<th>FY 2018</th>
<th>Share of group income</th>
</tr>
</thead>
<tbody>
<tr>
<td>38%</td>
<td>3.46bn</td>
</tr>
</tbody>
</table>

Split per Country

- Sweden: 33%
- Norway: 15%
- Finland: 23%
- Denmark: 29%

Operating Profit¹

<table>
<thead>
<tr>
<th>FY 2018</th>
<th>Share of group operating profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>37%</td>
<td>1.47bn</td>
</tr>
</tbody>
</table>

Split per Country²

- Sweden: 41%
- Norway: 18%
- Finland: 21%
- Denmark: 26%

Cost/income ratio

<table>
<thead>
<tr>
<th>Division</th>
<th>C/I</th>
</tr>
</thead>
<tbody>
<tr>
<td>PeB SE</td>
<td>50%</td>
</tr>
<tr>
<td>PeB NO</td>
<td>51%</td>
</tr>
<tr>
<td>PeB FI</td>
<td>72%</td>
</tr>
<tr>
<td>PeB DK</td>
<td>65%</td>
</tr>
<tr>
<td>Total</td>
<td>62%</td>
</tr>
</tbody>
</table>

Market position

<table>
<thead>
<tr>
<th>Division</th>
<th>#</th>
</tr>
</thead>
<tbody>
<tr>
<td>PeB SE</td>
<td>#3</td>
</tr>
<tr>
<td>PeB NO</td>
<td>#2</td>
</tr>
<tr>
<td>PeB FI</td>
<td>#2</td>
</tr>
<tr>
<td>PeB DK</td>
<td>#2</td>
</tr>
</tbody>
</table>

FTE development²

<table>
<thead>
<tr>
<th>Q416</th>
<th>Q417</th>
<th>Q418</th>
</tr>
</thead>
<tbody>
<tr>
<td>-10%</td>
<td>-94%</td>
<td>-67%</td>
</tr>
</tbody>
</table>

Number of branch locations

- Locations
- Locations with manual cash

- PeB SE #2
- PeB NO #2
- PeB FI #2
- PeB DK #2

Cost/income ratio:

- PeB SE 50%
- PeB NO 51%
- PeB FI 72%
- PeB DK 65%
- Total 62%

Market position:

- PeB SE #3
- PeB NO #2
- PeB FI #2
- PeB DK #2

Operating Profit¹:

- FY 2018
- Share of group operating profit
- 37%
- 1.47bn

Split per Country³:

- Sweden: 41%
- Norway: 18%
- Finland: 21%
- Denmark: 26%

Note:
1) Total Personal Banking shown excl. Distribution agreement with Asset & Wealth Management, country splits shown including Distribution Agreement
2) Note: Following organizational changes (Technology moved to Group units), No. of employees are 9,439k at end of April 2019
3) PeB Other counts for -6% of operating profit

~145 EURbn in lending
~76 EURbn in deposits

PeB SE
PeB NO
PeB FI
PeB DK

Division

PeB SE
PeB NO
PeB FI
PeB DK

C/I

50%
51%
72%
65%

~145 EURbn in lending
~76 EURbn in deposits

PeB SE
PeB NO
PeB FI
PeB DK

Division

PeB SE
PeB NO
PeB FI
PeB DK

C/I

50%
51%
72%
65%

Number of branch locations

- Locations
- Locations with manual cash

- PeB SE
- PeB NO
- PeB FI
- PeB DK

2008
2018

Locations
Locations with manual cash

- PeB SE
- PeB NO
- PeB FI
- PeB DK

Division

PeB SE
PeB NO
PeB FI
PeB DK

Note:
1) Total Personal Banking shown excl. Distribution agreement with Asset & Wealth Management, country splits shown including Distribution Agreement
2) Note: Following organizational changes (Technology moved to Group units), No. of employees are 9,439k at end of April 2019
3) PeB Other counts for -6% of operating profit
PeB Sweden

118 Locations
11 Online branches
5 Branches with cash

~ 1 900 Employees
~ 3 950 000 Household customers
PeB Sweden Q2 19

EUR 277m  Total income

49,5%  C/I ratio

13,8%  ROCAR
When industry drivers change customer behaviour, we adapt

Drivers of Changed Customer Behaviour

- New Technology
- Changing Competitive Landscape
- Increased Regulatory Requirements
- Macro Dynamics
- Big Global Actors

Drivers of Change:

- Impatient & Empowered
- Requires Relevance
- Integrated & Connected
Customers drive our vision

- Easy to deal with
- Relevant and competent
- Anywhere and anytime
- Personal and digital relationship
- Safe and trusted
The mobile as the core of an omnichannel experience

Online and face-to-face meetings

Chat, chatbots, calls – 24/7

Full service and product provider

Aggregated open banking services

Global wallets

Local providers

Nordea
A challenging transformation

Developing the service model

AML maturity

Panama

De-risking and margin increase

Moving HQ to Finland

Increased competition and new entrants

IT transformation
Challenging years 2016-2018

Business Momentum:
- Weak business momentum
- Volumes down
- Angry customers
- Unengaged people

Challenges:
- AML issues
- HQ move
- IT-systems
- New regulations
- Perception
Challenging years affecting the business

Net flows savings (SEKbn, Deposit & Inv products)

Market shares mortgages and Nordea’s share of market growth
Comeback Sweden

- Re-introduced personal advisors
- Remote advisory on customer terms
- Competitive mortgage margins
- Improved home owner journey
- Tight cooperations
- We care, we fix

New mobile app
Enhanced digital savings offering
Customer events
Open thinking - outside in
People culture
Satisfaction boost

Customer satisfaction

Employee satisfaction
The turn of business trends

Net flows savings (SEKbn, Deposit & Inv products)

Market shares mortgages (Nordea's share of market growth)
A leading new mobile bank according to our customers

App store rating of bank apps in Sweden

Average 3.46

258' ratings
Mortgages - closing the gap

Market share and share of growth

<table>
<thead>
<tr>
<th>Bank</th>
<th>Market share</th>
<th>Share of growth 2018</th>
<th>Share of growth Q2-19</th>
<th>Share of growth 201906</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nordea</td>
<td>13.53%</td>
<td>5.84%</td>
<td>13.85%</td>
<td>13.12%</td>
</tr>
<tr>
<td>SEB</td>
<td>13.76%</td>
<td>20.22%</td>
<td>15.80%</td>
<td>17.02%</td>
</tr>
<tr>
<td>SHB</td>
<td>22.47%</td>
<td>22.38%</td>
<td>16.09%</td>
<td>17.34%</td>
</tr>
<tr>
<td>SWB</td>
<td>24.10%</td>
<td>8.20%</td>
<td>12.06%</td>
<td>11.62%</td>
</tr>
<tr>
<td>SBAB</td>
<td>3.90%</td>
<td>16.63%</td>
<td>14.71%</td>
<td>11.75%</td>
</tr>
<tr>
<td>LF</td>
<td>8.41%</td>
<td>13.90%</td>
<td>14.71%</td>
<td>11.75%</td>
</tr>
<tr>
<td>Other</td>
<td>6.92%</td>
<td>5.27%</td>
<td>7.78%</td>
<td>10.49%</td>
</tr>
</tbody>
</table>

Net customers

<table>
<thead>
<tr>
<th>Month</th>
<th>New customers</th>
<th>Lost customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep 18</td>
<td>2,326</td>
<td>-2,720</td>
</tr>
<tr>
<td>Oct 18</td>
<td>2,014</td>
<td>-1,741</td>
</tr>
<tr>
<td>Nov 18</td>
<td>2,223</td>
<td>-2,413</td>
</tr>
<tr>
<td>Dec 18</td>
<td>2,020</td>
<td>-2,123</td>
</tr>
<tr>
<td>Jan 19</td>
<td>2,097</td>
<td>-2,097</td>
</tr>
<tr>
<td>Feb 19</td>
<td>2,435</td>
<td>-2,570</td>
</tr>
<tr>
<td>Mar 19</td>
<td>3,036</td>
<td>-2,988</td>
</tr>
<tr>
<td>Apr 19</td>
<td>3,197</td>
<td>-3,036</td>
</tr>
<tr>
<td>May 19</td>
<td>3,081</td>
<td>-2,657</td>
</tr>
</tbody>
</table>

Monthly growth rate (%)

Market: 0.51
Nordea: 0.49

Definition:
New mortgage customers/volume: Customer with mortgage loans current month, but lacking mortgage loans previous month.
Lost mortgage customers/volume: Customer with mortgage loans previous month, but lacking mortgage loans current month.

The increased number of lost customer is mainly due to an increase number of lost co-account holder with limited impact on the volume growth.
Building on the positive trend

- Offering value proposition
- Omnichannel experience
- Improved savings customer journey
- Structured re-profiling of physical arenas
- PSD 2 possibilities
- Ramping up digital sales
- Enhanced focus on partnerships
- Consumer finance
- We care, we fix
- Customer oriented brand with great confidence
Thank you!
Price comparison
Average 3M interest rate
Sampo Group Analyst Day

DIGITAL @ IF

Morten Thorsrud, CEO
Ingrid Janbu Holthe, Head of BA Private
## 6M 2019 UPDATE – KEY FINANCIAL FIGURES

<table>
<thead>
<tr>
<th></th>
<th>6M 2019</th>
<th>6M 2018</th>
<th>CHANGE %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GWP</strong></td>
<td>2,772 MEUR</td>
<td>2,701 MEUR</td>
<td>4.3%¹</td>
</tr>
<tr>
<td><strong>Technical result</strong></td>
<td>334 MEUR</td>
<td>306 MEUR</td>
<td>9.2%</td>
</tr>
<tr>
<td><strong>Investment result</strong></td>
<td>127 MEUR</td>
<td>128 MEUR</td>
<td>-0.8%</td>
</tr>
<tr>
<td><strong>Operating result</strong></td>
<td>440 MEUR</td>
<td>415 MEUR</td>
<td>6.0%</td>
</tr>
<tr>
<td><strong>Risk Ratio</strong></td>
<td>63.0%</td>
<td>64.0%</td>
<td>-1.0%-p</td>
</tr>
<tr>
<td><strong>Cost Ratio</strong></td>
<td>21.7%</td>
<td>21.8%</td>
<td>-0.1%-p</td>
</tr>
<tr>
<td><strong>Combined Ratio</strong></td>
<td>84.7%</td>
<td>85.8%</td>
<td>-1.1%-p</td>
</tr>
<tr>
<td><strong>Investment result MTM</strong></td>
<td>381 MEUR</td>
<td>62 MEUR</td>
<td>515%</td>
</tr>
</tbody>
</table>

¹ Excluding currency effects
PREMIUM GROWTH AND COMBINED RATIO DEVELOPMENT

**GWP GROWTH**

- 6M 2015: 0,0%
- 6M 2016: -0,3%
- 6M 2017: 0,9%
- 6M 2018: 3,4%
- 6M 2019: 4,3%

**COMBINED RATIO**

- Q2 2015: 85,2%
- Q2 2016: 84,5%
- Q2 2017: 85,7%
- Q2 2018: 85,1%
- Q2 2019: 83,0%

Excluding currency effects

¹ Excluding non-recurring items
HIGH PRICE FOR RISK – SUBSTANTIAL EFFICIENCY POTENTIAL IN THE INSURANCE INDUSTRY

HIGH PRICE FOR RISK – TRANSACTION COST

<table>
<thead>
<tr>
<th>Premiums</th>
<th>Profit margin</th>
<th>Cost</th>
<th>Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>10-15</td>
<td>20-30</td>
<td>55-70</td>
</tr>
</tbody>
</table>

SUBSTANTIAL EFFICIENCY POTENTIAL

Illustrative example – Nordic P&C insurance:

Premiums: ~ € 26 bn
Assumed cost base: ~ € 8 bn
Efficiency potential 10-20%: € 0.8-1.6 bn

Substantial efficiency potential in the global P&C market with premiums of ~ € 1.4 trillion
Continued high level of investments in IT and digital solutions

**Digital related investments % of total IT development cost**

- 2014: 10%
- 2019F: 27%

**Total IT development cost meur**

- 2014: 66 meur
- 2019F: 66 meur
WAYPOINT – NORDIC CORE INSURANCE SYSTEM

EFFICIENCY
One integrated price and production system serving all markets

BUSINESS VALUE
Delivering underwriting excellence in practice

QUALITY
World class competence and technology platform
COMPETITIVE EDGE IN THE NORDIC MARKET DUE TO SIZE, DIGITAL DISTRIBUTION AND STRATEGIC PARTNERSHIPS. IMPORTANCE OF NORDIC SCALE IS INCREASING

Scale advantage as the biggest P&C insurer in the Nordics

Increasingly digital insurance policy distribution

Credibility as a partner with several existing partnerships

Top 5 Nordic P&C insurers in terms of estimated market share

<table>
<thead>
<tr>
<th>Year</th>
<th>If</th>
<th>LF</th>
<th>Tryg</th>
<th>Gjensidige</th>
<th>RSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>16%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>15%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>14%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>13%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>12%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CAGR 17%

Internet sales as % of total sales (objects)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11%</td>
<td>13%</td>
<td>15%</td>
<td>18%</td>
<td>22%</td>
</tr>
</tbody>
</table>

If Tryg Gjensidige RSA
DIGITALIZATION IS IMPACTING ALL PARTS OF OUR OPERATING MODEL
Requires all parts to be more analytics and customer insight driven
## DIGITAL CHANNELS IN A KEY ROLE IN OUR DISTRIBUTION MODEL

**Our distribution model relies largely on customer centers, partners and digital channels**

<table>
<thead>
<tr>
<th>CUSTOMER CENTERS</th>
<th>37% of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Flagship offices</td>
<td></td>
</tr>
<tr>
<td>• Other smaller offices</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PARTNERS</th>
<th>27% of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Car dealers</td>
<td></td>
</tr>
<tr>
<td>• Banks</td>
<td></td>
</tr>
<tr>
<td>• Other partners</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DIGITAL</th>
<th>22% of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Website</td>
<td></td>
</tr>
<tr>
<td>• Other digital channels</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OTHER</th>
<th>14% of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>• External franchises</td>
<td></td>
</tr>
<tr>
<td>• External agents</td>
<td></td>
</tr>
</tbody>
</table>

**Characteristics of other players’ distribution models vary significantly by country**

- Direct and remote distribution dominating with a few players having local branch offices
- Growth in online distribution while offline still the most common way of distribution
- Distribution largely through traditional channels (own salesforce, car dealers and franchise)
- Increasing share of online sales and some distributors focusing solely on digital channels
- Some of the largest insurers rely mainly on internal distribution, whereas others use also external distribution
- Increasing focus on online distribution
- Distribution largely through physical distribution channels
- Low share of online distribution

¹ Sales as % of total sales in objects
WE HAVE ADOPTED A DIGITAL, FLAGSHIP-FOCUSED OPERATING MODEL ACROSS COUNTRIES

Shift to a digital, flagship-focused operating model has allowed us to reduce the number of branch offices.

<table>
<thead>
<tr>
<th>Total # of branch offices¹</th>
<th>Trondheim</th>
<th>Grimstad</th>
<th>Turku</th>
<th>Gothenburg</th>
<th>Stamholmen</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>55</td>
<td>24</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Large share of customer activities are currently carried out online.

- 50-75% of customers are E-customers (customers with both electronic documents only and electronic payment)
- 30-60% of claims reported online
- 10-40% of insurances objects sold online

¹ Including branch offices with 5 or more employees
Insurance distribution is becoming increasingly complex and customers will have multiple channels to choose from.

Analytics play a key role in understanding customer behavior and responding to ever-changing customer needs.

- Machine learning model to predict likely sales hits and value for outbound leads.
- Machine learning model to recommend most likely product(s) for a customer and initiate churn preventive activities.
LARGE SHARE OF ONLINE SALES AND SELF SERVICE REQUIRES SEAMLESS PROCESSES ACROSS CHANNELS

WEB SHOP FOR CUSTOMERS

WEB SHOP FOR FRONT LINERS

- Same pricing and products across channels
- Holistic overview of the customer across channels
- Similar solutions for customers and front liners to ensure smooth customer and employee experience
ADVANCED SOLUTIONS TO RECOGNIZE INSURANCE FRAUD

"QUESTIONABLE CUSTOMER"

Modern and robust tool to combine data from various sources and visualize relation in data to find even complex patterns exposing fraudulent behavior.

Automated fraud alerts to frontline systems, online services and partner services.

"NORMAL CUSTOMER"
Finnish Life Insurance Landscape

Petri Niemisvirta
CEO, Mandatum Life
Life Insurance Market in Finland
### Household assets 2018 (Bn€)

#### Average growth (p.a.)

<table>
<thead>
<tr>
<th>Asset class</th>
<th>2012-2018</th>
<th>2015-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>2.7%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Insurance savings</td>
<td>3.3%</td>
<td>-2.1%</td>
</tr>
<tr>
<td>Stocks</td>
<td>4.6%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Funds</td>
<td>7.5%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Unlisted stocks</td>
<td>8.2%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Others</td>
<td>-6.1%</td>
<td>-8.3%</td>
</tr>
</tbody>
</table>
Private households
Total 36 100 m€

Corporate
Total 12 704 m€
Mandatum Life’s market shares of total life insurance premiums* of Corporate and Private customers in Finland 1.-12.2018

Corporate customers, Market shares

<table>
<thead>
<tr>
<th>Category</th>
<th>Capital redemption</th>
<th>Endowment</th>
<th>Group pension</th>
<th>Private pension</th>
<th>Risk</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.-12.2017</td>
<td>53,1 %</td>
<td>40,3 %</td>
<td>42,0 %</td>
<td>23,1 %</td>
<td>26,5 %</td>
<td>52,5 %</td>
</tr>
<tr>
<td>1.-12.2018</td>
<td>48,5 %</td>
<td>40,1 %</td>
<td>40,1 %</td>
<td>27,8 %</td>
<td>27,8 %</td>
<td>47,5 %</td>
</tr>
</tbody>
</table>

Private customers, Market shares

<table>
<thead>
<tr>
<th>Category</th>
<th>Capital redemption</th>
<th>Endowment</th>
<th>Group pension</th>
<th>Private pension</th>
<th>Risk</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.-12.2017</td>
<td>7,5 %</td>
<td>10,7 %</td>
<td>10,3 %</td>
<td>10,7 %</td>
<td>10,7 %</td>
<td>10,7 %</td>
</tr>
<tr>
<td>1.-12.2018</td>
<td>19,9 %</td>
<td>19,9 %</td>
<td>10,3 %</td>
<td>10,3 %</td>
<td>10,5 %</td>
<td>10,5 %</td>
</tr>
</tbody>
</table>

Total life insurance premiums

<table>
<thead>
<tr>
<th>Category</th>
<th>Capital redemption</th>
<th>Endowment</th>
<th>Group pension</th>
<th>Private pension</th>
<th>Risk</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.-12.2017</td>
<td>793 Millions</td>
<td>16 Millions</td>
<td>247 Millions</td>
<td>111 Millions</td>
<td>76 Millions</td>
<td>1,160 Millions</td>
</tr>
<tr>
<td>1.-12.2018</td>
<td>1,243 Millions</td>
<td>18 Millions</td>
<td>257 Millions</td>
<td>77 Millions</td>
<td>1,616 Millions</td>
<td>1,243 Millions</td>
</tr>
</tbody>
</table>

*Gross Written Premium excl. statutory employees’ group life insurance
Competitive landscape within Mandatum Life businesses

- Pension
- Savings and Investment
- Risk Insurance
- Life Insurance
- Life Insurance, Banking, Wealth Management
- Life Insurance, P&C
Pensions
Finnish demographics
31.12.2018

Source: Kela

Population’s age structure
1865 - 2018

% of total population

<table>
<thead>
<tr>
<th>Age / %</th>
<th>2010</th>
<th>2020*</th>
<th>2030*</th>
<th>2040*</th>
<th>2050*</th>
<th>2060*</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 14</td>
<td>17</td>
<td>16</td>
<td>14</td>
<td>13</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>15 - 64</td>
<td>66</td>
<td>62</td>
<td>60</td>
<td>59</td>
<td>57</td>
<td></td>
</tr>
<tr>
<td>65+</td>
<td>18</td>
<td>23</td>
<td>26</td>
<td>27</td>
<td>29</td>
<td>31</td>
</tr>
<tr>
<td>Population (1000)</td>
<td>5 375</td>
<td>5 543</td>
<td>5 612</td>
<td>5 602</td>
<td>5 532</td>
<td>5 448</td>
</tr>
</tbody>
</table>
Trends

- High pressure towards statutory pension system
- Role of individual savings and planning growing
Pressure doesn’t create action ... yet

Household savings-% 1975 - 2018
Development of insurance savings in Group pension market

![Graph showing the development of insurance savings in Group pension market, comparing the market and ML versions. The graph illustrates the increase in savings from 2006 to 2018, with data points for each year indicating the growth in EUR 1000.](image-url)
Mandatum Life
Actions

• Mandatum Life has dominant position in Finnish pension market
  – Mandatum Life is operating as a market maker
  – New sales from corporate market
  – Private customer’s individual pension savings only through old individual pension portfolio

• Reward and remuneration consultancy supports sales of corporate solutions

• Personnel funds can also have a significant role in the future
  – Already approx. 114 000 members in personnel funds (Finland total 12/2018)
  – Strong political support
Investments
Household assets
Finland 12/2018

• Asset base reflects the low savings intensity
• Undeveloped savings culture
• Organic growth still in deposits
• To be seen how new Equity Savings Account (1.1.2020) changes the flows
Development of insurance savings in Endowment market

![Graph showing the development of insurance savings in Endowment market.

- **Unit linked Endowment, market**
- **Unit linked Endowment, ML**

The graph illustrates the growth in insurance savings over time, with a notable increase in the latter part of the period.
Development of insurance savings in Capital redemption market
Development of insurance savings in corporate customers Capital redemption market

![Graph showing the development of insurance savings in corporate customers over time, with key values at specific years: 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018. The values are: 500,000, 1,000,000, 1,500,000, 2,000,000, 2,500,000, 3,000,000, 3,500,000, 4,000,000. The graph also shows the market and ML values.]}
Mandatum Life
Actions

• Growth through institutional clients and HNWI-operation
  – Unique investment possibilities with Sampo Group
  – Strong growth within alternative investments

• Broadening the offered solution scope
  – Direct fund offering through Lux fund company
  – New trading platform with Saxo bank technology (Mandatum Trader)
  – Reducing the dependency on life products in the changing savings and investments market environment
Danske Cooperation
Upside potential after several modest years
Danske Bank’s life insurance annual premiums in Finland

Fall 2016: Mandatum Life announce not to continue agency agreement

June 2018: New agency agreement signed between Danske and Mandatum. Mutually agreed focus areas:
1) Loan insurance, Fall 2018
2) Pension portfolio, year end 2018
3) Saving policies, Spring 2019

2017: Danske’s sales organization waiting for a new life insurance partner. Cooperation with Mandatum suffers.
New loan insurance policies and offers in Finland

- Clear growth in volumes after signing of new agency agreement.
- Further growth expected
- Sales ratio (new loan insurance/new mortgage loan) increased from all time low 8 % to current 25 %. Year end target level 35 %
### Danske Cooperation Status

**Cooperation revitalizing agenda**

1. Increasing the loan insurance penetration within new mortgages back to 40% target level
2. Increasing the activity within current pension customer portfolio
3. Renewing the investment offering under endowment and capital redemption policies

**Other notable factors**

- Danske has a new and committed management
- New insurance sales oriented KPI-package implemented
- Mandatum Life managed alternative investment strategies brought as a part of Private Bank offering

**Development initiatives**

- Integrating loan insurance into Danske’s future digital mortgage sales process
- Bringing new covers to loan insurance (Critical Illness)
Thank You!
Sampo Group’s Capital Position

Analyst Day, 15 August 2019

Knut Arne Alsaker, Group CFO, Sampo Group

Kai Sotamaa, GCRO, Sampo Group
Disclaimer

This presentation may contain forward-looking statements that reflect management’s current views with respect to certain future events and potential financial performance. Although Sampo believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for Sampo include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate and (iii) developments in capital markets.

This presentation does not imply that Sampo has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.
1) Sampo Group Solvency
   • FICO and SII Solvency as of 30 June 2019
   • Changes in SII from Q1 -> Q2

2) Timeline for Nordea Deconsolidation Expected by Sampo
   NOTE: In this presentation “Nordea deconsolidation” refers to the distribution of an extra dividend in the form of Nordea shares which took Sampo’s ownership in Nordea below 20% and consequently treating Nordea in Sampo’s S-II calculations as a normal equity investment and to a termination of the conglomerate rules (FICO) solvency calculations, which is subject to formal approval by the FIN-FSA. This does not refer to the consolidation of Nordea as an associated company in Sampo Group’s financial statements (IFRS), which remains unchanged.

3) Nordea Deconsolidation
   • Changes in Solvency Capital Requirement and Own Funds for Sampo Group
   • Extra Dividend in the Form of Nordea shares – Impact on P/L
   • Nordea as an Equity Investment
   • Pro forma issuing capacity
   • Group solvency Nordea deconsolidation

4) Sampo Group Solvency Sensitivities to Market Risk Factors
Sampo Group Solvency 30 June 2019

**Own Funds and Solvency by FICO Rules**

- **Group Solvency ratio 130%**
  - includes a deducted EUR 791 m dividend (proportionally as of H1)
- **Buffer EUR 2,421m**

**Eligible Own Funds and Solvency June 30th 2019 by Solvency II Rules**

- **Ratio of Eligible Own Funds to Group SCR 137%**
- **Buffer EUR 3,127m**
- **EUR 2,335m excl. dividend**

---

**Mandatum Life**
- EUR 1,160

**Topdanmark**
- EUR 547

**Sampo plc's shares of Nordea/NDX Intressenter**
- EUR 4,596

**Total capital requirement**
- EUR 8,102

**Group's Own Funds**
- EUR 10,523

**Consolidated Group SCR**
- EUR 3,862

**Nordea and Other financial sector**
- EUR 4,664

**Group SCR**
- EUR 8,527

**Total Eligible Own Funds**
- EUR 11,654

---

*) Standard formula
Change in S-II Solvency Ratio During Q2

- Q1: 126%
- Tier 2 hybrid: 6%
- Liability effect on OF: -3%
- Decrease in SCR: 3%
- Comprehensive income: 5%
- Q2: 137%
## Nordea Deconsolidation Timeline Expected by Sampo

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>FICO termination</th>
<th>Solvency II</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.8.2019</td>
<td>The resolution on distribution of an extra dividend in the form of Nordea shares</td>
<td>Application to the FIN FSA (FICO termination)</td>
<td></td>
</tr>
<tr>
<td>mid-August – mid-September 2019</td>
<td></td>
<td>The FIN FSA consults the other supervisors of the companies belonging to the financial conglomerate group</td>
<td></td>
</tr>
<tr>
<td>mid-August – end of October 2019</td>
<td></td>
<td>FICO termination process</td>
<td></td>
</tr>
<tr>
<td>9.8.2019</td>
<td>Dividend record date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.8.2019</td>
<td>Dividend payment date (share) Flagging notification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.8.2019</td>
<td>Dividend payment date (cash)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30.9.2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31.10.2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.11.2019</td>
<td>Sampo Q3 results</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Nordea’s Capital Requirement for Sampo Own Funds, 30 June 2019

- Effective capital requirement is 68% of Nordea’s own funds and 84% of market value of shares.
- The Solvency II standard equity capital requirement for OECD stocks is 39% of market value +/- a variable component of max 10% (the symmetric adjustment, which is based on the difference between the current level of the stock market and its average during the past 36 months).

Nordea is a well capitalized bank:
- CET1 ratio 14.8%
- Total capital ratio 19.8%
- AA rated
Nordea’s Capital Requirement for Sampo Own Funds, Pro forma 1 January 2020 with an Average ECB P2R of 1.8%

- Effective capital requirement is 84% of Nordea’s own funds and 117% of market value of shares.
- The Solvency II standard equity capital requirement for OECD stocks is 39% of market value +/- a variable component of max 10% (the symmetric adjustment, which is based on the difference between the current level of the stock market and its average during the past 36 months).
Group Solvency Nordea Deconsolidation – S-II Own Funds

- Own funds 30.6.19: EUR 11,654
- Nordea's book value deducted: EUR 7,088
- Nordea's market value added: EUR 4,557
- Intangibles and sectoral items deducted, net impact: EUR -90
- Pro forma own funds: EUR 9,213
# Extra Dividend in the Form of Nordea Shares

<table>
<thead>
<tr>
<th>EURm</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No. of shares held at 30.6.2019</strong></td>
<td></td>
</tr>
<tr>
<td>21.25%, 860.4 million</td>
<td></td>
</tr>
<tr>
<td><strong>No. of shares to be distributed</strong></td>
<td></td>
</tr>
<tr>
<td>1.38%, ~55.5 million</td>
<td></td>
</tr>
<tr>
<td><strong>Fair value of shares, EUR 5.66/share</strong></td>
<td>314</td>
</tr>
<tr>
<td><strong>Proportional reduction in the Group carrying amount</strong></td>
<td>-457</td>
</tr>
<tr>
<td><strong>Valuation loss in the Group</strong></td>
<td>-143</td>
</tr>
</tbody>
</table>

## Effects on Sampo plc level

<table>
<thead>
<tr>
<th>EURm</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividending out at book value of EUR 6.46, decrease of associate share</td>
<td>359</td>
</tr>
<tr>
<td>Shares at fair value of EUR 5.66/sh</td>
<td>314</td>
</tr>
<tr>
<td><strong>Realised valuation difference effect in P&amp;L</strong></td>
<td>-44</td>
</tr>
</tbody>
</table>

## Effects on Sampo Group level

<table>
<thead>
<tr>
<th>EURm</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Realised loss from the disposal</td>
<td>-143</td>
</tr>
<tr>
<td>Recyclring of previous OCI items thru P&amp;L</td>
<td>-12</td>
</tr>
<tr>
<td><strong>Total financial effect in P&amp;L</strong></td>
<td>-155</td>
</tr>
</tbody>
</table>

15 August 2019
Nordea as Equity Investment After Extra Dividend and S-II Deconsolidation

* Pro forma capital requirement incl. 3% SRB = 8,964 EURm
⇒ **EUR 2,690m buffer, EUR 1,899m excl. dividend**

** Changes: In SII balance sheet Nordea’s BV removed and replaced with market value of shares. Deductions, such as intangibles, and additions, such as AT1/T2 capital, removed.

*** 39% risk-weight for Nordea (5.66 EUR/sh., 805 m shares)
Pro forma issuing capacity, Q2/2019

<table>
<thead>
<tr>
<th>Q2/2019</th>
<th>EURm</th>
<th>Additional issuing capacity *</th>
<th>EURm</th>
<th>Total Tier 2 capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>8,179</td>
<td>Restricted Tier 1 (20% of T1)</td>
<td>1,913</td>
<td></td>
</tr>
<tr>
<td>Restricted Tier 1</td>
<td>132</td>
<td>Tier 2 (50% of SCR)</td>
<td>1,856</td>
<td></td>
</tr>
<tr>
<td>Tier 2</td>
<td>885</td>
<td></td>
<td></td>
<td>2,741m</td>
</tr>
<tr>
<td>Tier 3</td>
<td>17</td>
<td>Tier 3 (15% of SCR)</td>
<td>805</td>
<td></td>
</tr>
<tr>
<td>Own Funds</td>
<td>9,213</td>
<td>and Tier 2 (35% of SCR)</td>
<td>1,033</td>
<td></td>
</tr>
<tr>
<td>SCR</td>
<td>5,482</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* S&P maximum capacity to issue is 25% of TAC meaning that the additional hybrid issuing capacity according to S&P’s criteria would be ca. EUR 1,050-1,100 m
Group Solvency Nordea Deconsolidation

- Solvency ratio increases from 137% to 168%
- Consolidated Group SCR increases by 1,551 MEUR but total SCR decreases by 3,045
- As stand-alone, concentration risk would increase by 503 MEUR but the correlation structure of the Standard Formula mitigates the effect of the concentration risk increase to a very high degree.

Assumptions:
- 804,922,858 shares left after deconsolidation.
- Share price 5.661 EUR.
- Equity shock of 39% +/- symmetric adjustment applied.
Sampo Group Solvency Sensitivities to Market Risk Factors / 30.6.2019 (pro forma with S-II deconsolidated Nordea 5,66 EUR/sh.)

Change in Solvency Ratio (percentage points)

rates: -100 bps  
rates: +100 bps  
spreads: +100 bps  
equity prices: -10 %  
equity prices: -20 %  
equity prices: -30 %
Equity Risk and the Symmetric Adjustment (1/2)

• If equity risk was the only risk factor affecting Own Funds (OF) and SCR (and there would be no S-II Symmetric Adjustment), a solvency ratio (SR = OF/SCR) neutral amount of equity investments would be equal to OF.
  - This is because now SCR = 39%*OF and SR = OF / (39%*OF), i.e. SR would not react to changes in OF and be a constant of 1/39% (= 256%).
  - If in this hypothetical example the amount of equity investments would be less than OF, the SR would rise when equities would fall (due to the numerator in SR decreasing proportionally less than the denominator) and vice versa.
  - In reality there are of course other risk factors in addition to equities, and the SCR would change proportionally less than equity prices in an equity market shock. This decreases the “SR neutral” amount of equities to being less than OF.

• However, the S-II Symmetric Adjustment (SA) increases the equity market beta of the SCR as the S-II equity shock will be decreased when equities have fallen and vice versa. Consequently, the SR can in fact often increase when equity prices fall in a uniform fashion, as long as the SA is within its limits.
Equity Risk and the Symmetric Adjustment (2/2)

• In order to prevent pro-cyclical behavior of equities exposures, the equity capital charge is adjusted with the SA. The calculation of the symmetric adjustment is based on the behavior of an equity index built by EIOPA exclusively for that purpose. Its constituents are mostly European equity price indices.

The symmetric adjustment is detailed in the Commission Delegated Regulation 2015/35 article 172. It is described by the following formula:

\[ SA = \left[ \frac{1}{2} \left( \frac{CI - AI}{AI} - 8\% \right) \right]^{+10\%} -10\% \]

where:
- CI = current value of the EIOPA equity index
- AI = average value over 3 years of the EIOPA equity index

The symmetric adjustment may not be lower than -10 % or higher than +10 %. The constant of 8% in the formula takes into account an expected growth rate in equity prices. The SA is zero when CI = 1.08*AI, i.e. when the equity markets are 8% above their 3 year moving average. With a constant price growth rate this would be achieved when annual price growth is some 5.4 %.
Equity Risk and Nordea

- After S-II deconsolidation of Nordea, its shares constitute over half of Sampo Group’s equity risk exposure. If the Nordea share price moves in tandem with the equity market, its solvency impact is buffered by the SA as a part of Sampo’s overall equity exposure.

- However, to the extent that changes in Nordea’s stock price deviate from the EIOPA equity index, the SA has no buffering effect. This justifies additional solvency sensitivity analysis on the Nordea shares alone (assuming a constant end of Q2 SA of -1.72%):
Spread Risk and the Volatility Adjustment

• The Volatility Adjustment (VA) is an add-on adjustment to the risk-free interest rates used in valuing insurance liabilities. It mitigates the effect of short-term volatility of bond spreads on insurers' solvency positions. The VA, like the SA, is intended to prevent pro-cyclical investment behavior.

• When an insurer applies the VA, the basis point value of its solvency spread risk position is given roughly by:

\[
\frac{\beta_{FI} \cdot MV_{FI} \cdot DUR_{FI} - \beta_{VA} \cdot PV_{LIAB} \cdot DUR_{LIAB}}{10,000}
\]

where

\( \beta_{FI} = \) fixed income investments spread beta to market spreads
\( \beta_{VA} = \) VA beta to market spreads

A hypothetical example for a random insurer:

\( \beta_{FI} = 1.0 \)
\( \beta_{VA} = 0.5 \)
\( MV_{FI} = 20 \text{ bn} \)
\( PV_{LIAB} = 20 \text{ bn} \)
\( DUR_{FI} = 4 \)
\( DUR_{LIAB} = 10 \)

basis point value of the solvency spread risk position = -2 m

This insurer’s solvency would benefit from a spread widening due to the VA

Without the VA, the position of this insurer would be +8 m instead of -2 m

The VA is calculated as 65% of the risk-corrected spreads of a reference portfolio

VA = 65\%(market spread_{portfolio} – risk correction_{portfolio})

where the risk correction represents an amount of spread not expected to be earned
Sampo Group Solvency Sensitivities to Market Risk Factors
/ 30.6.2019 (pro forma with S-II deconsolidated Nordea 5,66 EUR/sh.)

<table>
<thead>
<tr>
<th>Solvency II</th>
<th>no changes</th>
<th>rates: -100 bps</th>
<th>rates: +100 bps</th>
<th>spreads: +100 bps</th>
<th>equity prices: -10 %</th>
<th>equity prices: -20 %</th>
<th>equity prices: -30 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solvency Ratio</td>
<td>168 %</td>
<td>151 %</td>
<td>182 %</td>
<td>166 %</td>
<td>171 %</td>
<td>167 %</td>
<td>155 %</td>
</tr>
<tr>
<td>Change in Solvency Ratio</td>
<td>-17 %</td>
<td>+13 %</td>
<td>-2 %</td>
<td>+3 %</td>
<td>-1 %</td>
<td>-13 %</td>
<td></td>
</tr>
</tbody>
</table>

- From end of Q2 equity index levels the S-II Symmetric Adjustment buffers equity risk for decreases in the equity markets of up to 20%.
- Spread risk is buffered significantly by the S-II Volatility Adjustment applied by Mandatum and Topdanmark.
Summary

- Change of SII calculation basis as of 30\textsuperscript{th} September
- FICO termination process expected to end by 6\textsuperscript{th} November
- Pro forma Solvency ratio as of 30.6.2019: 168%
- Accounting loss of EUR 155m booked in Q3
- Net capital generation of appr. EUR 1 billion
- Solvency can withstand significant volatility in the Nordea share price
Analyst Day
15 AUGUST 2019