

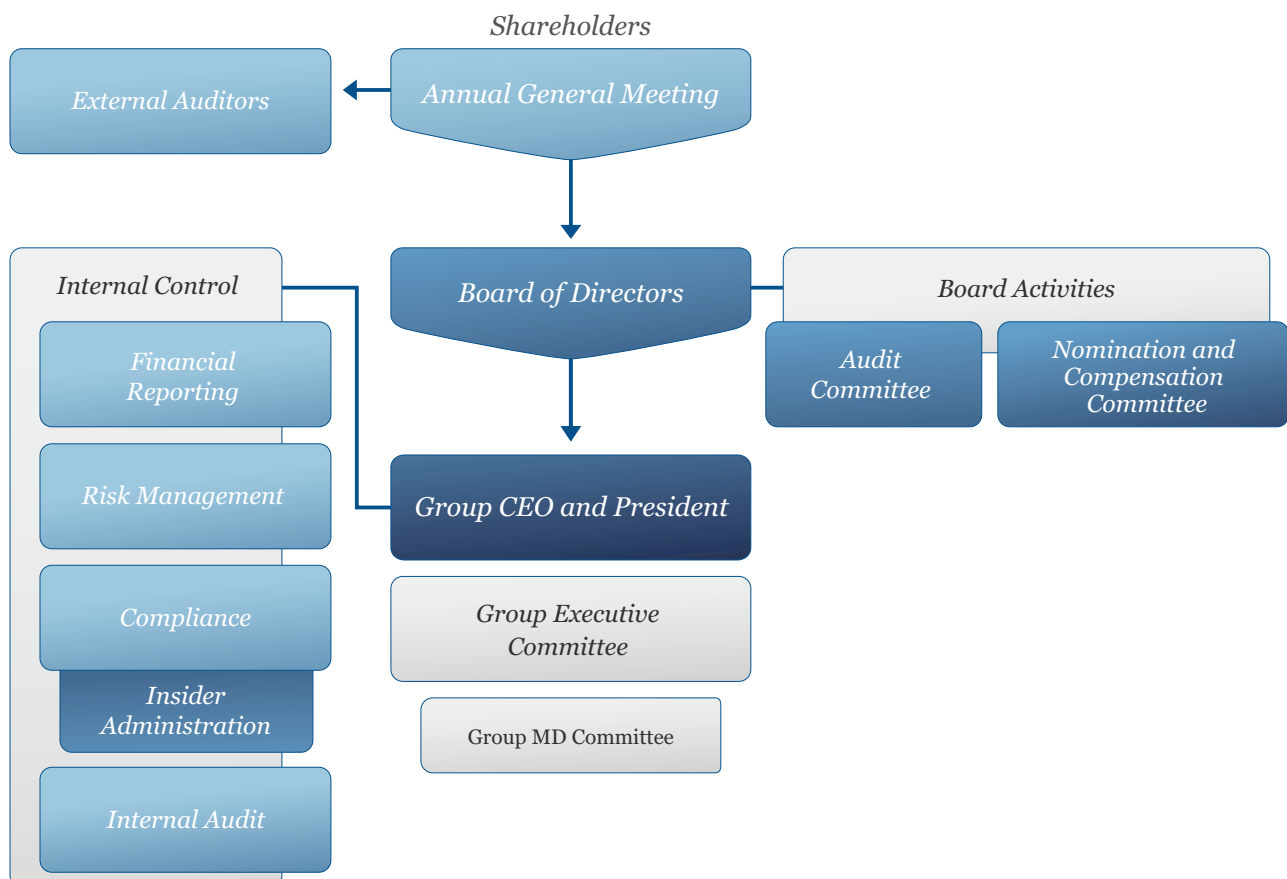
# CORPORATE GOVERNANCE STATEMENT

Sampo plc complies in full with the Corporate Governance Code ("Code") published by the Securities Market Association, effective from 1 October 2010.

This Corporate Governance Statement, as provided by chapter 7, section 7 of Finnish Securities Market Act (746/2012), has been prepared in accordance with Recommendation 54 of the Code. This statement is presented as a separate report from the Board of Directors' Report.

The Code can be viewed in full on the website of the Securities Market Association at [www.cgfinland.fi](http://www.cgfinland.fi).

## The general structure of Sampo's Corporate Governance System



## General Meetings

The Finnish Companies Act and Sampo plc's Articles of Association determine the issues that have to be dealt with at a General Meeting of Shareholders (competence of a general meeting). Customarily, a General Meeting deals with, in addition to issues determined by the law and Articles of Association, the issues presented by the Board of Directors. Furthermore, according to the Companies Act, a shareholder has the right to require a certain issue to be dealt with at the General Meeting, providing the issue falls within the scope of competence of the General Meeting.

The Board of Directors convenes a shareholder meeting by publishing notice of the meeting in at least one newspaper published in Helsinki at least three weeks before the General Meeting and no later than nine days before the record date of the General Meeting. The notice to a General Meeting shall also be made public via a stock exchange release, as well as being published on Sampo plc's internet site.

The notice and other documents of the General Meeting, including the proposals of the Board of Directors and its committees, as well as the Annual Report, are available on Sampo plc's internet site at least three weeks before the General Meeting.

## Annual General Meetings

The Annual General Meeting (AGM) is held annually to present information regarding the company's performance and to deal with such matters as adopting the previous year's income statement and balance sheet, setting the dividend and its payment, appointing members of the Board of Directors and the Auditor and resolving their fees.

In 2012, the AGM was held on April the 12th.

## Extraordinary General Meetings

An Extraordinary General Meeting (EGM) is convened when considered necessary by the Board of Directors. It is also possible that an Auditor or shareholder(s) together holding a minimum of one tenth of all the shares in the company request in writing that an EGM shall be convened to discuss a specified matter which they have raised.

## Attending a Shareholders' Meeting

By attending shareholders' meetings, shareholders may, either personally or through representatives, exercise their voting rights, right to request information and participate in the decision-making process of Sampo plc.

At a shareholders' meeting, each Sampo plc A share carries one vote, while each Sampo plc B share carries five votes.

## Board of Directors

The Board of Directors, elected annually by the AGM, uses the highest decision making power in Sampo Group between the AGMs. Sampo's Board of Directors is responsible for the management of the company in compliance with the law, authority regulations, Sampo's Articles of Association and the decisions of the Shareholders' Meetings.

## Board of Directors' Duties

The operating procedures and main duties of the Board of Directors have been defined in the Board's Charter.

The Board of Directors decides on Sampo Group's business strategy, approves the budget and the principles governing the Group's risk management, remuneration and internal control, is responsible for the proper organization of the Group's operations. The Board also decides, within the framework of the company's business area, on other exceptional and far-reaching matters with respect to the scope and nature of the Sampo Group.

The Board regularly evaluates its own activities and cooperation with the management.

The Board elects the Group CEO, the members of the Group Executive Committee, and the Group Chief Audit Executive, and releases them from their duties. The Board also decides on the terms and conditions of their employment and on other compensation. In addition, the Board confirms the Group's staff planning targets and monitors their fulfillment, determines the grounds for the Group's compensation system and decides on other far-reaching matters concerning the staff.

To ensure the proper running of operations, Sampo's Board of Directors has approved group-level policies and guidelines concerning corporate governance, risk management, internal control and reporting in the Sampo Group.

## Election and Terms of Office of Board Members

According to Sampo's Articles of Association, the company's Board of Directors comprises no fewer than three and no more than ten members elected by shareholders at the Annual General Meeting. The term of office of the Board members ends at the close of the Annual General Meeting that first follows their election.

The Annual General Meeting of 2012 decided that the Board would consist of nine members until the close of the Annual General Meeting to be held in 2013. The members of the Board elect a Chairman and Vice Chairman from among its members at their first meeting following the Annual General Meeting.

The following persons served on Sampo plc's Board of Directors in 2012:

- Mr. Björn Wahlroos, Chairman, born 1952, Ph.D. (Econ.)
- Mr. Matti Vuoria, Vice Chairman, born 1951, LL.M, B.A., CEO, President, Varma Mutual Pension Insurance Company
- Ms. Anne Brunila, member, born 1957, D.Sc. (Econ. and Business Adm.), Executive Vice President, Fortum Corporation
- Ms. Adine Grate Axén, member, born 1961, M.Sc. (Finance)
- Mr. Veli-Matti Mattila, member, born 1961, M.Sc. (E.E.), President & CEO, Elisa Corporation
- Ms. Eira Palin-Lehtinen, member, born 1950, Master of Laws (trained on the bench)
- Mr. Jukka Pekkarinen, member, born 1947, Dr. (Pol. Sc.), Director General, Ministry of Finance
- Mr. Per Arthur Sørli, member (as of 12 April, 2012), born 1957, MBA, President and CEO, Borregaard ASA
- Mr. Christoffer Taxell, member, born 1948, Master of Laws

When elected, all Board members were independent of company's major shareholders and following members were also independent of the company: **Adine Grate Axén, Anne Brunila, Veli-Matti Mattila, Eira Palin-Lehtinen, Jukka Pekkarinen, Per Arthur Sørli** and **Christoffer Taxell**. In addition, **Björn Wahlroos** became independent of the company as of 1 July 2012.

The Board of Directors of Sampo plc convened nine times in 2012. The average attendance of Board members at meetings was 97.6 per cent.

The Board may appoint committees, executive committees and other permanent or fixed-term bodies for duties assigned by the Board. The Board confirms the Charters of Sampo's committees and Executive Committee, and also the guidelines and authorizations given to other bodies appointed by the Board.

## Board-appointed Committees

The Board has an Audit Committee and a Nomination and Compensation Committee, whose members it appoints from among its members in accordance with the charters of the respective committees.

### Audit Committee

The Audit Committee is responsible for monitoring the statutory auditing and reporting process of the financial statements and consolidated financial statements, and for overseeing the veracity of Sampo Group's financial statements and the financial reporting process.

The Committee also oversees the actions of the auditor under the laws of Finland, monitors the auditor's invoicing for audit and non-audit services as deemed appropriate. Furthermore, the Audit Committee is responsible for evaluating the auditor's and auditing firm's independence and particularly their provision of related services to Sampo Group, and for preparing proposals to the Annual General Meeting concerning the auditor's election and his fee.

The Committee also monitors the efficiency of the Group's internal control, internal audit and risk management systems, and monitors the Group's risks and the quality and scope of risk management. In addition, the Committee approves internal audit's annual action plan, monitors internal audit's reporting, monitors the fulfillment of risk policies, the use of limits and the development of profit in various business areas, oversees the preparation of and compliance with risk management policies and other guidelines within the scope of Audit Committee's activities, and reviews the description of the main features of the internal control and risk management systems pertaining to the financial reporting process, which is included in the company's Corporate Governance Statement.

The Committee also evaluates the compliance with laws and regulations in Sampo Group, monitors significant litigations of Group companies, and executes any other duties that may be bestowed upon it by the Board.

According to its Charter, the Committee comprises at least three members elected from among those Board members who do not hold executive positions in Sampo and are independent of the company and of whom at least one is independent of Sampo's major shareholders. Also participating in the meetings of the Committee are the Responsible Auditor, Group CEO, Group CFO, CFO of the most significant subsidiary, Group Chief Audit Executive, the member of the Group Executive Committee responsible for risk control and Group Chief Risk Officer.

In 2012, the Chairman of the Audit Committee were **Christoffer Taxell** (until 12 April 2012) and **Anne Brunila** (as of 12 April 2012), and the other members were **Adine Grate Axén**, **Jukka Pekkarinen** and **Per Arthur Sørli** (as of 12 April 2012). Also participating in the meetings were the Auditor's representative, Group CEO, Group CFO, CFO of If P&C, Group Chief Risk Officer and Group Chief Audit Executive.

The Audit Committee convened five times in 2012 and the average attendance of members at the meetings was 100 per cent.

## Nomination and Compensation Committee

The Nomination and Compensation Committee is entrusted to prepare and present proposals for Sampo's Annual General Meeting on the composition of the Board, the remuneration of Board members and the principles on which this remuneration is determined. The Committee consults the largest shareholders in these matters.

The Committee is also responsible for preparing proposals for Sampo's Board on the evaluation of the independence of the members of the Board, on the composition and chairman of the Board's committees, on the appointment of Sampo Group CEO and President and the composition of Sampo Group's Executive Committee, the composition of the Group MD Committee, and, to the extent required, makes surveys of potential successors to aforementioned positions. The Committee also prepares proposals for the Board on the principles by which the members of the Group Executive Committee are to be compensated and their remuneration.

Nomination and Compensation Committee also prepares for the Board's decision Sampo Group's Remuneration Principles and Sampo plc's Remuneration Policy, Sampo Group's long-term incentive programs, maximum pay-outs based on short and long-term incentive programs as well as the actual payments to be made.

As authorized by the Board of Directors, the Committee also decides on the fixed salaries of the members of the Group Executive Committee, excluding the Group CEO and his/her deputy.

Furthermore, the Committee prepares a proposal for the Board on the appointment, employment conditions and other compensation of Sampo Group's Chief Audit Executive, and on the principles by which Sampo Group's staff are to be compensated. In addition, the Committee is responsible for preparing proposals for the Board on issues relating to the development of corporate governance and confirming the criteria and processes used for the Board's self-evaluation.

The Committee also regularly evaluates its own practices and co-operation with the executive management.

In 2012, the Nomination and Compensation Committee comprised the Chairman of the Board (who acted as the Committee's Chairman), the Vice Chairman of the Board and three members elected from among the members of the Board.

In 2012 the Chairman of the Nomination and Compensation Committee was **Björn Wahlroos**, and the other members were **Veli-Matti Mattila**, **Eira Palin-Lehtinen**, **Christoffer Taxell** and **Matti Vuoria**.

The Committee convened seven times in 2012. The average attendance of members at meetings was 94.3 per cent.

## Sampo Group Executive Committee

The Board of Directors has appointed the Sampo Group Executive Committee and a Group MD Committee to the Group Executive Committee, which supports the CEO in preparing matters to be handled by the Executive Committee.

Sampo Group Executive Committee supports the CEO in the preparation of strategic issues relating to the Group, in the handling of operating matters that are significant or involve questions of principle, and in ensuring a good internal flow of information.

The Executive Committee addresses especially the following: Sampo Group's strategy, profit development, large purchases and projects, the Group's structure and organization, as well as key strategic issues pertaining to administration and personnel.

Following persons served on the Group Executive Committee in 2012:

- Mr. Kari Stadigh, Chairman, Group CEO
- Ms. Line Hestvik, Group Executive Vice President, Head of BA Private, If P&C (until 27 November, 2012)
- Mr. Peter Johansson, Group CFO
- Mr. Patrick Lapveteläinen, Group CIO
- Mr. Torbjörn Magnusson, President and CEO of If P&C Insurance Holding Ltd (publ.)
- Mr. Ivar Martinsen, Group Executive Vice President, Head of BA Commercial, If p&C
- Petri Niemisvirta, Managing Director, Mandatum Life Insurance Company Ltd

- Morten Thorsrud, Group Executive Vice President, Head of BA Industrial, If P&C
- Timo Vuorinen, Group Executive Vice President, Baltic and Russian operations, If P&C
- Ricard Wennerklint, Executive Vice President, If P&C Insurance Holding Ltd (publ.)

The Group MD Committee comprised Kari Stadigh, Peter Johansson, Patrick Lapveteläinen, Torbjörn Magnusson, Petri Niemisvirta and Ricard Wennerklint.

In 2012, the Executive Committee convened four times at the request of the CEO, and the Group MD Committee, which assists the Executive Committee, met nine times.

## Group CEO and President

The company has a Managing Director who is simultaneously the Group CEO and President of Sampo Group. The Board of Directors elects and releases the Group CEO, and decides on the terms of employment and other compensation. Mr. Kari Stadigh, M.Sc. (Eng.), BBA (Econ.), is the Managing Director of the company and the Group CEO of Sampo Group.

The Group CEO of Sampo Group is in charge of the daily management of Sampo, subject to the instructions and control of the Board of Directors. The Group CEO is empowered to take extraordinary and broad-ranging actions, taking into account the scope and nature of Sampo's operations, only upon authorization by the Board of Directors. The Group CEO ensures the legal compliance of Sampo's accounting and the trustworthy organization of asset management.

The period of notice for terminating the service contract of the Group CEO of the Sampo Group 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 (excluding short-term incentives), provided the service contract has been terminated by Sampo.

The Group CEO's retirement age is 60, at which time the retirement benefit is 60 per cent of the salary that gives entitlement to a pension.

## Internal Control in Sampo Group

The different sectors of Sampo Group's internal control system play a crucial role in ensuring the proper functioning of the Group's corporate governance system.

Internal control means all activity which ensures that Sampo Group's businesses are carried out toward desired targets in accordance with desired policies and practices. Accordingly, the tasks of internal control are performed by different actors starting from the top of the organization.

The organization of internal control and safeguarding its functioning and viability plays a key role in Sampo plc's Board of Directors' activities. In order to ensure the proper running of operations, Sampo's Board has approved group-level policies and guidelines concerning corporate governance, financial target setting, risk management, remuneration, compliance, reporting and internal audit, supplementing the existing legal and regulatory framework. With the policies and guidelines Sampo's Board directs Group's activities toward desired practices and, with appropriate control mechanisms provided by the policies, ensures that potential deviations are discovered without undue delay.

Thus, successful internal control system presumes not only controlled steering processes for business management, but also appropriate control mechanisms. In Sampo Group, internal control system includes functions supporting the businesses, as well as control and steering functions, which are organized as independent from the businesses.

In addition to internal control activities within the financial reporting process and separate risk management, Sampo Group's compliance function, with insider administration supplementing it, together with fully independent internal audit form core parts of Sampo's internal control system.

## Financial Reporting

The internal control linked with financial reporting process purports to ensure that Sampo's Board of Directors and executive management has timely and reliable information supporting their decision making, and that external interest groups can also rely on the financial information provided for them.

To ensure the correctness of all reporting, the used data bases are reconciled on a monthly basis. Several system and analytical control tools are also applied to support the reliable functioning of the reporting process.

Group level financial reporting is mainly based on information provided by the subsidiary companies in form and schedule as defined by the group's financial administration. Each subsidiary is responsible for its respective financial reporting and internal controls therein. Consequently, the process ensures the correctness of the information regarding different business segments prior to reporting.

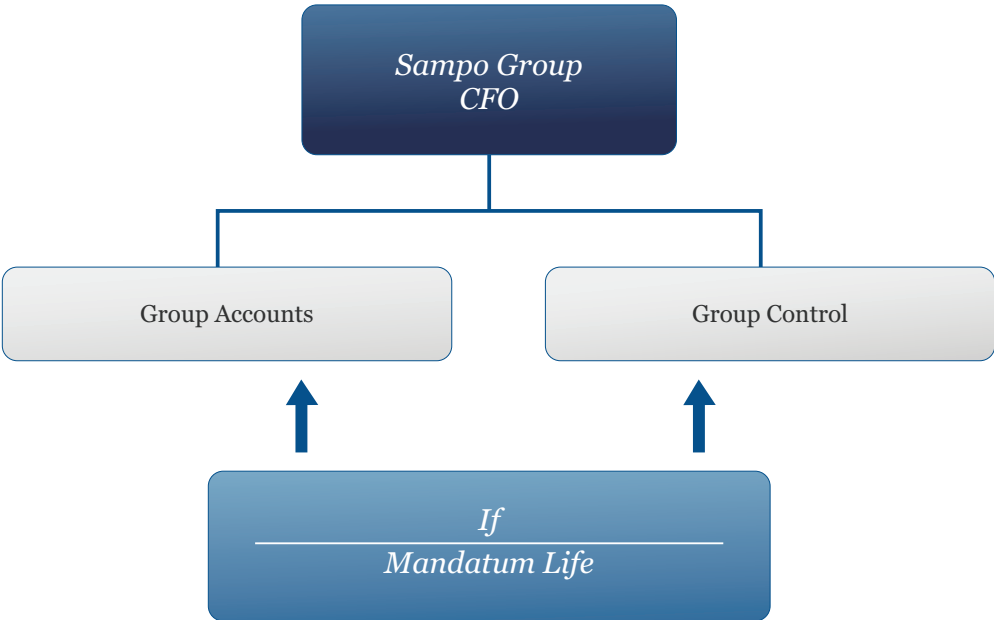
Sampo Group's financial reporting is organized under Group Control and Planning and Group Accounting units and it operates under Group Chief Financial Officer. Group Control and Planning prepares and follows group level and parent company's financial targets and forecasts, takes care of monthly reporting of profit development as well as solvency calculations. It also provides the Group's operating management and the holding company's Board of Directors with reports, based on publicly available information, comparing Sampo's performance with that of its competitors, and also produces different types of market analyses and reviews.

Group Accounting prepares Sampo Group's quarterly and annual financial reports in accordance with International Financial Reporting Standards (IFRS). The financial reports of the parent company, Sampo plc, are prepared in accordance with Finnish accounting standards (the Finnish GAAP). Quarterly and annual reports are dealt with in group administrative bodies in accordance with applicable procedural rules. In addition, Group Accounting unit prepares group's monthly accounts, which form the basis of the monthly analysis prepared by Group Control and Planning unit.

The report used in steering and managing Group’s different businesses (the Management Report) is distributed on a monthly basis to the members of the Group Executive Committee, and a summary of it is delivered to the members of Sampo’s Board of Directors.

Profit forecasts are reported quarterly to the Board and the Group Executive Committee. Group solvency calculations are also delivered on a quarterly basis to the Audit Committee, as well as to the Group Executive Committee.

**Sampo Group’s Financial Reporting Process**



## Risk Management

The Board of Directors of Sampo plc is responsible for ensuring that the Group’s risks are properly managed and controlled. The Board establishes the risk management and with them closely connected remuneration principles and provides guidance on the risk management governance structure and internal control in the business areas. Working within the framework of these principles and guidelines, the subsidiaries tailor their risk management practices to take account of the special features of their respective business activities. The Board makes decisions on strategy, return targets and the risk and capitalization levels of subsidiaries.

The Board’s Audit Committee is responsible, on behalf of the Board of Directors, for preparing Sampo Group’s risk management principles and related guidelines and, in turn, the Nomination and Compensation Committee is responsible for

preparing Group’s remuneration principles, which are closely connected with risk management principles.

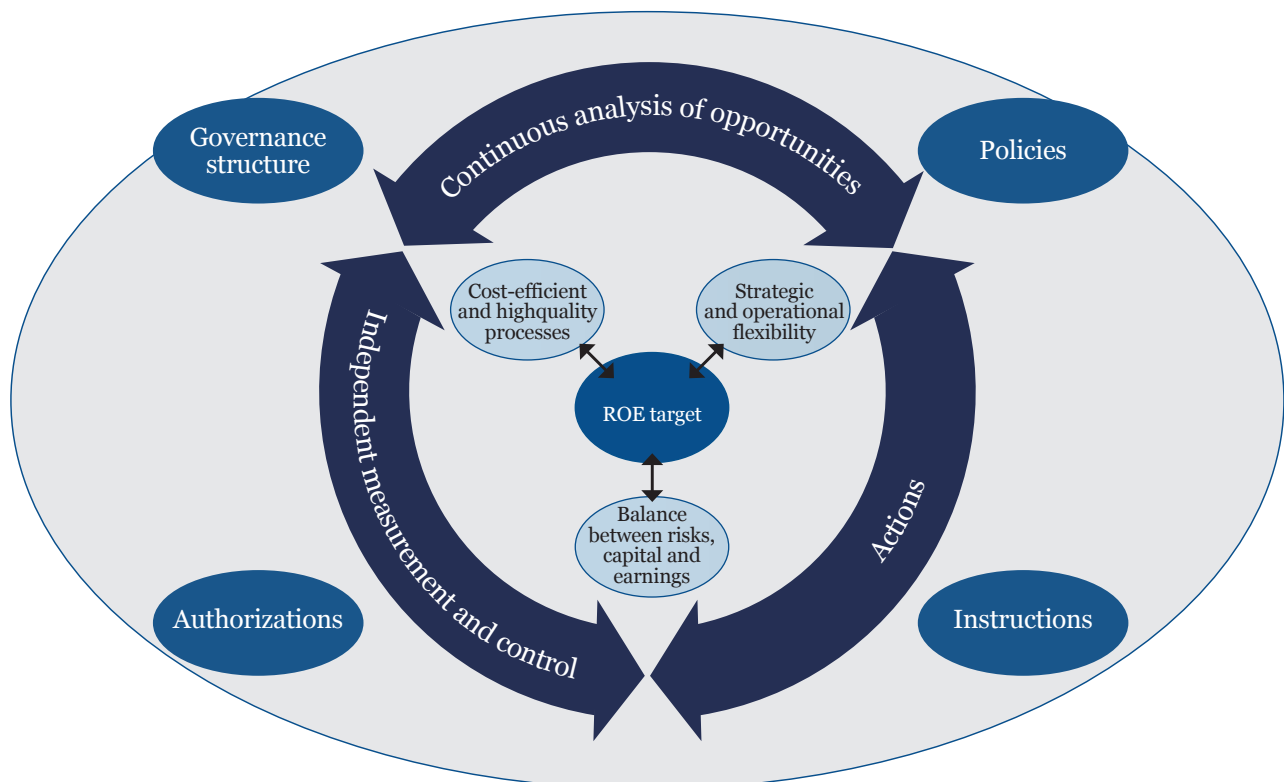
The duty of Sampo Group’s Risk Management function is to co-ordinate the risk management within the subsidiaries and to take care of group level risk management as well as that of the parent company.

## Risk Management Process

High-quality, comprehensive risk management facilitates that Sampo’s corporate executives and Board of Directors are constantly aware of the Group companies’ business-related risks and their ability to carry the financial and other risks related to business activities.

Sampo Group’s business activities and therefore also risk management activities are mainly performed by the subsidiaries. The below illustration presents the basic elements, tasks and goals of company-level risk management.

### An illustration of company-level risk management framework





The subsidiary companies' risk management is based on the Risk Management Principles established by the parent company. The subsidiaries organize their own risk management based on these group-level principles taking into account the business-specific characteristics as well as laws and regulations. The central elements for facilitating successful risk management in the subsidiaries include the following:

- risk management governance structure and authorizations;
- companies' own risk policies and more detailed instructions related to risk management; and
- reporting models and valuation and risk measurement procedures related to independent measurement and control are also important prerequisites of risk management process.

Parties independent of business activities are responsible for risk management governance framework, risk policies, risk limits and authorizations, which form the structure that sets the limits for risk taking and principles for risk monitoring. These structures reflect the capital adequacy targets and risk appetite in general.

Independent specialists are also mainly responsible for the determination of reporting models and calculation procedures in use, although the business line organisations are consulted as well. Depending on the nature of the task in question, either business line organisations or independent risk management is responsible for the preparation of detailed instructions related to the tasks included in the risk management process.

The risk management process consists of continuous activities that are partly a responsibility of the personnel involved in business activities and partly of independent risk management specialists. Although the division of responsibilities between business lines and independent risk management are clear, they are co-operating closely. The tasks considered as forming parts of the risk management process can be classified, e.g., as follows:

- **Actions**, i.e. business transactions representing the actual insurance and investment operations are performed in accordance with the given authorizations, risk policies and other instructions.

Activities related to capitalization and liquidity position are included in this part of the process. The actions are the responsibility of business functions and centralized functions such as the investment department.

- **Continuous analysis and assessment of opportunities supporting the business transactions** can be defined as a separate phase in the risk management process since a significant part of the time consumed in insurance and investment activities is allocated to the assessment of potential business activities and analysis of different opportunities. For example in investment activities, time is mainly consumed in the preparation of analyses supporting the transactions and not in completing the decided transactions. Even though persons independent of business operations with relevant expertise may participate in the analyses, the business functions have always the responsibility for this phase.
- **Independent measurement and control** includes the statutory profitability, risk and capitalization calculations and independent monitoring of operations. Independent financial and risk management functions are explicitly responsible for this phase.

High-quality execution of the above-mentioned tasks contributes to the achievement of the three central goals of the risk management process:

**1) Balance between risks, capital and earnings, i.e.:**

- risks affecting the profitability and other significant risks are identified, assessed and analyzed;
- capitalization taking into account the expected profitability of the businesses is adequate in terms of risks inherent in business activities and operating environment;
- risk bearing capacity is allocated into different business areas according to chosen strategies; and
- insurance risks are properly priced, the expected returns and risks of investment activities are balanced according to the set targets and non-profit risks are managed on a sufficient level.

**2) Cost-efficient and high-quality operative processes:**

- client services and internal operative processes are working as expected in terms of quality and costs;
- decision making is based on accurate, adequate and timely information; and
- the continuity of operations is ensured and in case of discontinuity events, recovery is fast and comprehensive.

**3) Strategic and operational flexibility.**

The goals of the risk management process are essential steps in order to achieve the return on equity targets set by Sampo plc. Achievement of the goals of the risk management process may also mitigate the yearly fluctuations in profitability. The risk management process is therefore considered to be one of the central contributors in creating value for the shareholders of Sampo.

## Risk Management Reporting

Sampo Group's risk management reporting is divided into three separate business areas, which are P&C Insurance (If P&C), Life Insurance (Mandatum Life), and the Holding Company (Sampo plc). Additionally, Sampo's associate company, Nordea Bank AB (publ.) forms a separate reporting entity, but the risks related to Nordea are only followed on the basis of public information reported by Nordea itself.

Sampo plc's Board of Directors and the Audit Committee, together with the Boards of Directors of the subsidiaries, share the overall responsibility for the risk management process. The business units are responsible for day-to-day risk management

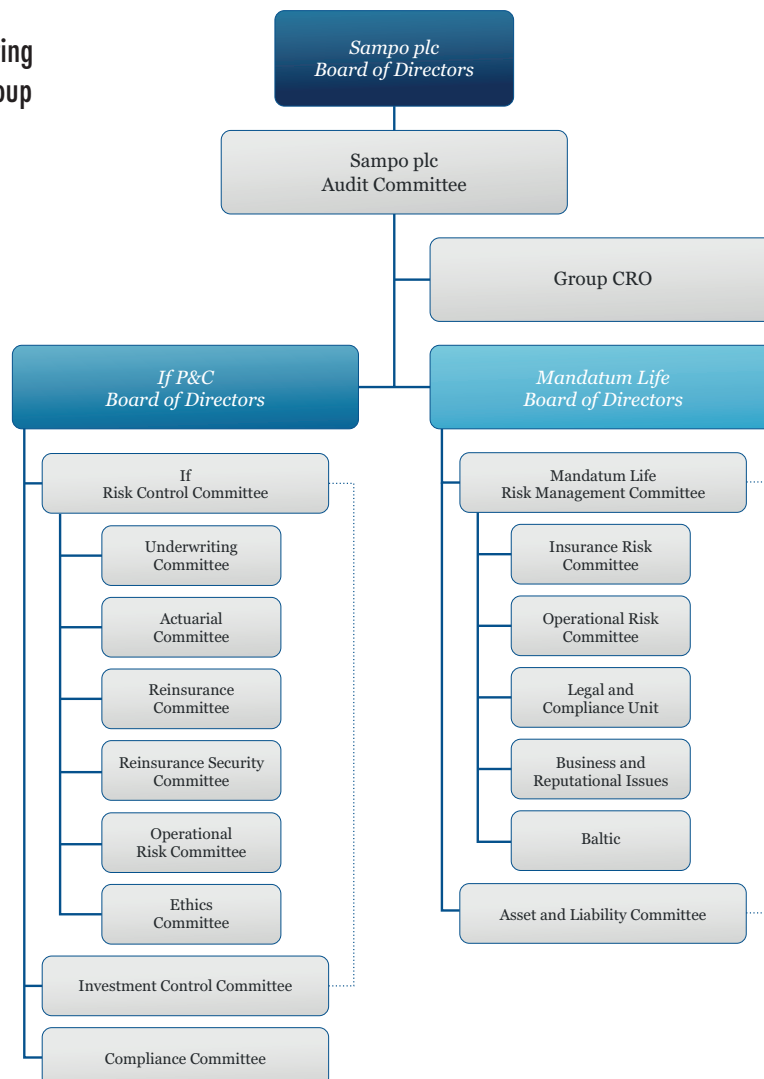
decisions within the framework of the provided principles, guidelines and authorizations (limits).

The risks of If P&C are managed by separate committees such as the Underwriting Committee and the Reinsurance Committee.

In Mandatum Life, the Asset & Liability Committee (ALCO) manages investment risks within the framework of the provided limits and authorizations, while the management team members take care of business-related risks, each in his/her own business area and/or function.

More detailed information on Sampo's risk management is available at [www.sampo.com/annualreport](http://www.sampo.com/annualreport).

### Risk Management Reporting Framework in Sampo Group



## Compliance Function

In Sampo Group, compliance is an activity supporting business activities while being independently administered, and it aims at securing the compatibility with applicable norms of all Group activities.

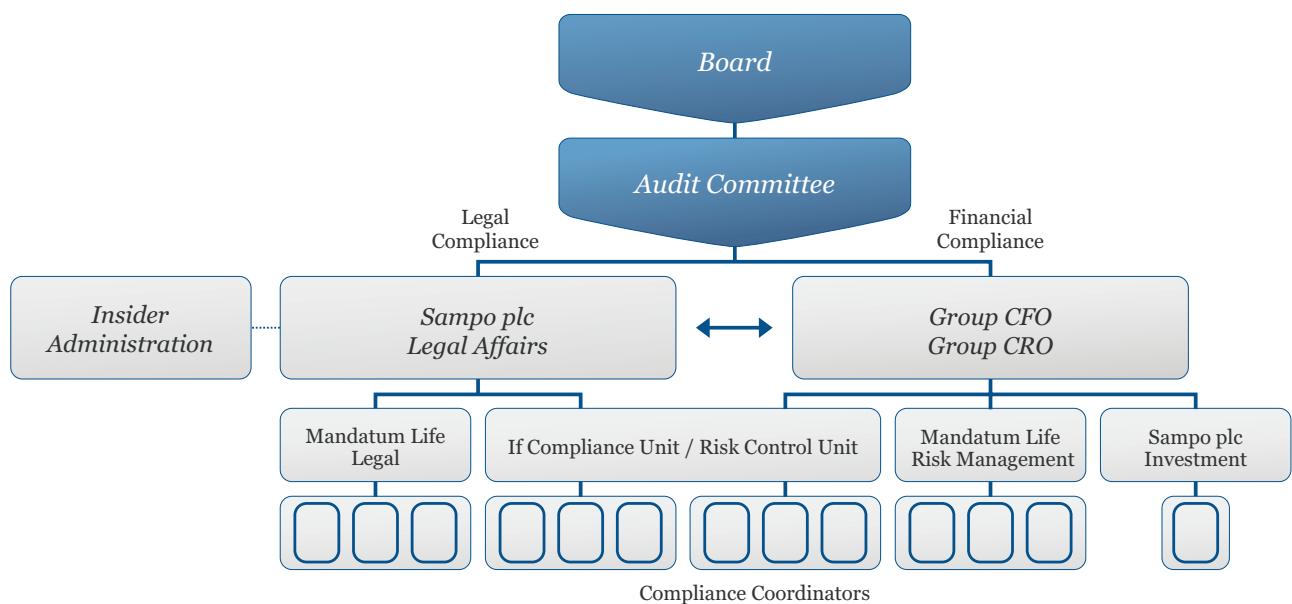
To respond to the vehemently increasing regulation in the financial sector, the Board of Directors of Sampo plc renewed the group-level internal guidance regarding compliance in 2012. In the established Sampo Group Compliance Principles the starting point is that compliance with norms is an established part of Sampo corporate culture, and the principles ensure that compliance activities are properly organized in group companies, and that the business organization is capable to respond to the changing requirements of business environment. The renewed guidance contains the perceived common denominators of successful compliance activity – a set of general principles that describe essential features of effective compliance activities within the context of the business environment Sampo Group companies are operating. The principles

don't, however, limit the flexibility of each subsidiary company when addressing its own specific needs in relation to compliance.

The established principles apply to all Sampo Group companies. It should, however, be noted that different group companies are operating different business lines in various different national jurisdictions, thus being under an obligation to abide with local legislation as well as authority rules and regulations. Consequently, Sampo Groups principles have been defined to facilitate the deployment of set of tools and procedures serving best the individual needs for each company and local operating environment, and ensure compliance without jeopardizing operational efficiency. The aforesaid obviously implies that compliance function in each subsidiary must always meet local standards and other requirements.

According to the approved principles all compliance activity is designed to ensure that all business activities, as well as the reporting of financial results and risks, are compliant with laws, authority regulations and internal guidelines and principles.

### An Illustration of Sampo Group's Compliance Organization and Reporting Structure



The compliance function also ensures that any applicable new legislation and regulation is fully enforced in Group companies' guidelines and day-to-day business activities.

According to established principles, the subsidiary companies are permitted to organize their compliance activities operationally and organizationally as they deem pertinent and effective. In the above illustrative organization chart, the compliance function is viewed from parent company's point of view and compliance is divided into legal and financial sections based on reporting responsibilities. Legal compliance is understood to cover operational compliance within each company's own normative framework and actions taken to that end within the framework. Financial compliance, on the other hand, covers the compliance with company and group specific financial requirements, e.g. capitalization and solvency requirements, and related reporting obligations.

Reporting of compliance activities is organized in each subsidiary company as deemed appropriate and sufficient locally. Compliance issues are also regularly reported to the Board of Directors of Sampo plc and its Audit Committee, as is established in Sampo Group Compliance Principles. Sampo plc's own compliance organization is responsible for compiling these reports on the basis of subsidiary companies' reports.

Sampo Group's CEO is responsible for the proper organization of the compliance function in the holding company and in the Group as a whole. Each subsidiary's Board of Directors ensures that the subsidiary has sufficient resources to organize effective internal control and compliance, while each subsidiary's Managing Director is responsible for organizing the respective subsidiary's compliance function.

## Insider Administration

Given the nature of Sampo's business areas, especially bearing in mind their extensive investment activities, Sampo's Board of Directors has approved a separate Group Guideline for Insiders. These comply, as required by the Corporate Governance Code, with the NASDAQ OMX Helsinki's Guidelines for Insiders and the Financial Supervisory Authority's Standards. Sampo's Guidelines for Insiders are stricter than the above-mentioned guidelines with respect to the members of the Group Executive Committee, other corporate executives and other specifically named persons, as these persons must obtain a separate written permission in advance for each share related securities transaction they make with the securities of Sampo plc or any of Sampo's publicly listed subsidiary or affiliate company (currently Nordea AB (publ.) and Topdanmark A/S).

## Internal Audit

Sampo's Internal Audit is a function under the Group CEO and independent of business operations, which evaluates the sufficiency and effectiveness of the internal control system and the quality of performance in the Sampo Group. The Internal Audit has been organised to correspond with the business organisation.

The Audit Committee of Sampo's Board of Directors annually approves an operating plan for Internal Audit. The Internal Audit reports on the audits performed to the CEO and the Audit Committee. Company specific audit observations are reported to the respective companies' governing bodies and management.

In its auditing work, the Internal Audit complies with, in addition to the Internal Audit Charter approved by Sampo's Board of Directors, the international professional standards approved by the IIA (the Institute of Internal Auditors).