

PROPOSAL OF THE BOARD OF DIRECTORS FOR

Distribution of profit

Dividend

Sampo Group disclosed on 24 February 2021 a capital management framework designed to ensure high and reliable capital returns supported by a strong but efficient balance sheet. Under the framework, Sampo will return ongoing surplus capital generation from its insurance operations through an insurance dividend. Other forms of surplus capital generation, including possible proceeds from disposals of financial investments, are returned through additional dividends and/or buybacks, to the extent that the funds are not utilised to support business development. Sampo targets a Solvency II ratio of 170 per cent – 190 per cent and financial leverage below 30 per cent.

According to Sampo plc's Dividend Policy published on 6 February 2020, the total annual dividends paid will be at least 70 per cent of Sampo Group's net profit for the year (excluding extraordinary items). For this purpose, "extraordinary items" are defined as accounting items related to the sale of Nordea shares during 2021 and the change in Sampo Group's ownership in Nordax Bank AB.

The parent company's distributable capital and reserves totalled EUR 8,565,347,307.19 of which profit

for the financial year 2021 was EUR 2,639,015,210.13. Based on the policies outlined above, the Board proposes to the Annual General Meeting that a total dividend of EUR 4.10 per share be paid to all shares except for the shares held by Sampo plc on the dividend record date of 20 May 2022. The total dividend includes an insurance dividend of EUR 1.70 per share as well as the dividend of at least EUR 2.00 per share that management indicated it will propose in connection with the sale of Nordea shares on 26 October 2021.

As earnings per share excluding extraordinary items amounted to EUR 2.86 per share, the payout ratio for the total dividend equates to 143 per cent. The remainder of the distributable funds are left in the equity capital. After adjusting for the proposed dividend, Sampo Group's 2021 year-end distributable funds amounted to EUR 6,323 million, Group Solvency II coverage to 185 per cent and financial leverage to 27 per cent.

Dividend payment

The dividend is proposed to be paid to the shareholders registered in the Register of Shareholders held by Euroclear Finland Oy as at the record date of 20 May 2022. The Board proposes that the dividends be paid on 31 May 2022.

Financial position

No significant changes have taken place in the company's financial position since the end of the financial year. The company's liquidity position is good and in the view of the Board, the proposed distributions do not jeopardise the company's ability to fulfil its obligations.

Helsinki, 9 February 2022

SAMPO PLC
Board of Directors