

Proposal of the Board of Directors for Distribution of profit

Dividend

Under Sampo Group's capital management framework, Sampo will return ongoing surplus capital generation from its insurance operations through a regular 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 170–190 per cent and financial leverage below 30 per cent.

According to Sampo plc's Dividend Policy applied for distribution of 2022 earnings, total annual dividends paid shall represent at least 70 per cent of Sampo Group's net profit for the year (excluding extraordinary items). In 2022, accounting items related to the sale of Nordea shares, the sale of Topdanmark life insurance operations and the reclassification of Nordax from an associated company to fair value investment have been defined as extraordinary in accordance with Sampo's dividend policy.

The parent company's distributable capital and reserves totalled EUR 6,715,706,916.29 of which profit for the financial year 2022 was EUR 1,780,426,719.09. Based on the policies outlined above, the Board proposes to the Annual General Meeting that a total dividend of EUR 2.60 per share be paid to all shares except for the shares held by Sampo plc on the dividend record date of 22 May 2023. The total dividend includes a regular dividend of EUR 1.80 per share as well as an extra dividend of EUR 0.80 per share.

As earnings per share excluding extraordinary items amounted to EUR 2.41 per share, the payout ratio for the total dividend equates to 108 per cent. The remainder of the distributable funds are left in the company's equity capital. After adjusting for the proposed dividend, Sampo Group's 2022 year-end distributable funds amounted to EUR 5,378 million, Group Solvency II ratio to 210 per cent and financial leverage to 28.6 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 22 May 2023. The Board proposes that the dividends be paid on 31 May 2023.

The issuer of the Swedish depository receipts shall ensure that the dividend is paid to the depository receipt holders registered in the securities depository and settlement register maintained by Euroclear Sweden AB as at the record date of 22 May 2023, which payment shall be made in Swedish kronor.

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.

10 February 2023

SAMPO PLC
Board of Directors