

# Corporate Responsibility Summary 2020

⌘ MANDATUM LIFE

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# Mandatum Life

Mandatum Life Insurance Company Ltd (hereinafter Mandatum Life) offers services in unit-linked insurance, wealth management, personal insurance, pension and reward solutions for companies, and related consultation services. The company has an estimated 300,000 private and 20,000 corporate customers.

Mandatum Life is head-quartered in Helsinki, Finland. In addition to Finland, Mandatum Life operates in all the Baltic countries. Mandatum Life is a wholly-owned subsidiary of Sampo plc, and the company has approximately 570 employees.



# About this Corporate Responsibility Summary

Mandatum Life reports on its corporate responsibility as part of Sampo Group. The objective of Sampo Group's Corporate Responsibility Report is to increase transparency and provide information on the business operations of Sampo Group companies and on Sampo's performance in environmental, social and governance issues.

This Summary is intended to complement Sampo Group's report. This Summary describes corporate responsibility at Mandatum Life overall and provides more detailed information on the practical sustainability measures carried out in the company in 2020. This is Mandatum Life's first Corporate Responsibility Summary. In future, it will be published annually.

Sampo's Corporate Responsibility Report is available through the link:

[WWW.SAMPO.COM/RESPONSIBILITY/CR-REPORTS/](http://WWW.SAMPO.COM/RESPONSIBILITY/CR-REPORTS/)



# Managing Director's review

Mandatum Life has reported on its corporate responsibility as part of Sampo Group's reporting for several years. This Corporate Responsibility Summary, which we are now publishing for the first time, supplements our reporting.

The year 2020 will go down in history for the Covid-19 pandemic. Despite the altered state of the world, Mandatum Life's year turned out to be excellent, and many indicators that are essential for our corporate responsibility – such as our personnel's well-being at work, our customer satisfaction and our score in the Responsible Investment assessment – improved regardless of the exceptional situation.

For us, financial responsibility means ensuring the continuity, profitability, earnings power and solvency of operations in all market situations. Despite major market movements resulting from the pandemic, our financial result was good and our solvency remained strong throughout the year.

I would like to mention a few corporate responsibility highlights from 2020. I am proud that I get to be

managing director in a company whose employees have a high level of well-being. We did extremely well in the Great Place to Work survey, as our company was selected as the best place to work in Finland and the 10th best place to work in Europe in the large organisations category of the Great Place to Work Institute's survey. Of our personnel, 95 per cent considered Mandatum Life an excellent place to work.

Employee satisfaction and the corporate culture have been at the heart of Mandatum Life's operations since the company's strategy was renewed back in 2008. Mandatum Life has made it on the list of Finland's best workplaces for ten consecutive years, which is a testament to the success of the strategy and its implementation. Mandatum Life's corporate culture is based on a strong sense of community and supporting one another.

Our personnel started working from home on one day's notice in March 2020 due to the coronavirus. Well-functioning technology, processes and our corporate culture enable smooth remote work right through the pandemic. Employee satisfaction has also remained excellent, regardless of the unusual working conditions.



A thriving work community is also reflected outwardly. We were able to serve our customers and respond to their needs in every way possible in an uncertain situation. Record-high customer satisfaction throughout the year is an indication of our success.

A handwritten signature in dark ink, which appears to read 'Petri Niemisvirta'.

Petri Niemisvirta  
*CEO Mandatum Life*

# Corporate responsibility at Mandatum Life

Our responsibility encompasses three key themes and the elements that lay the foundation for everything we do

» **Money is a driver of change**

Investors have an influential role in solving societal challenges and mitigating climate change. Responsibility is also a tool for investors seeking returns and part of smart risk management.

» **It all comes down to people**

Through its business operations, Mandatum Life strives to improve the financial security of Finns and promote

a good working life. We offer companies tools for good leadership and reward schemes, as well as a means of monitoring and assessing the employees’ impact on the company’s financial success and work satisfaction.

» **Leading by example**

Taking responsibility for personnel ensures successful business. For Mandatum Life, personnel’s well-being is a strategic goal.

» **Foundation of our work**

Responsibility is at the core of Mandatum Life’s business. There are many key elements.

- Ensuring the continuity, profitability, earnings power and solvency of the operations in all market situations
- Security of data processing
- Employment and payment of taxes
- Collaborative projects
- Reducing the environmental impacts of our own operations
- Responsible procurement

**We support the UN’s Sustainable Development Goals**

As a company, we are committed to promoting the UN’s Sustainable Development Goals (SDG). The UN’s Agenda2030 and its 17 main goals are focused on sustainable development, taking into account the environment, economy and people in a comprehensive manner.

Our approach to the UN’s goals is based on the SDG Compass guide, which is intended for companies. Based on it, we charted Mandatum Life’s impacts in relation to the UN’s goals in 2020. We took into ac-

count the impacts also in the value chain, such as our investment operations. As a result of the work, we identified three UN goals that are especially important with regard to our operations and impacts.



The selected UN goals have been considered when updating our sustainability goals and indicators.

**Material matters, goals and indicators in Mandatum Life’s sustainability**

Our sustainability work is goal-oriented and quantifiable. We have updated our corporate responsibility themes’ key matters, goals and indicators. We will continue to develop our sustainability goals and the selected indicators.

**The components of Mandatum Life’s corporate responsibility and link to the UN’s SDG goals**

**Material matters and goals**  
» What are the metrics to measure corporate responsibility areas and goals?

**MONEY IS A DRIVER OF CHANGE**

UN’s goals



**Commitment to the UN’s Principles for Responsible Investment**

- *Integrating sustainability aspects in the investment process and the monitoring of investments, for example, according to the Global Compact principles.*
  - » Score in the UN Principles for Responsible Investment assessment
- *Assessment and efficient management of sustainability impacts in investment operations and reducing the carbon footprint of investments*
  - » Carbon footprint of investments



The components of Mandatum Life’s corporate responsibility and link to the UN’s SDG goals

Material matters and goals  
» What are the metrics to measure corporate responsibility areas and goals?

IT ALL COMES DOWN TO PEOPLE



Supporting the well-being of customers and their personnel through Mandatum Life’s products  
» Our services  
» Customer satisfaction (NPS), outcome and goal

We help our customers in rewarding their personnel fairly and responsibly  
» Satisfaction of personnel fund boards and reward consultation customers  
» Development of the number of Pay Scale studies, equality assessments and reward pulses

LEADING BY EXAMPLE



Employment  
» Number of employees, training opportunities  
  
Personnel funds and comprehensive insurance cover for the whole personnel  
» Outcome (proportion of employees covered by insurance and personnel funds)

Responsible leadership practices and equality  
• *At least 40% representation of each gender at different management levels*  
» % share of women at different levels of management (Board, Executive Management Group, senior management)  
» 360-degree evaluations for supervisors  
  
Growing intellectual capital  
» Job rotation

Occupational health and well-being  
» Total score for Finnish operations (%) and answers to the claim: “Overall, this is a very good workplace” (%), Great Place to Work Finland survey  
» Absences due to illness per country (%); Turnover %; Accidents  
  
Professional development  
» Training and mentoring programmes

FOUNDATION OF OUR WORK

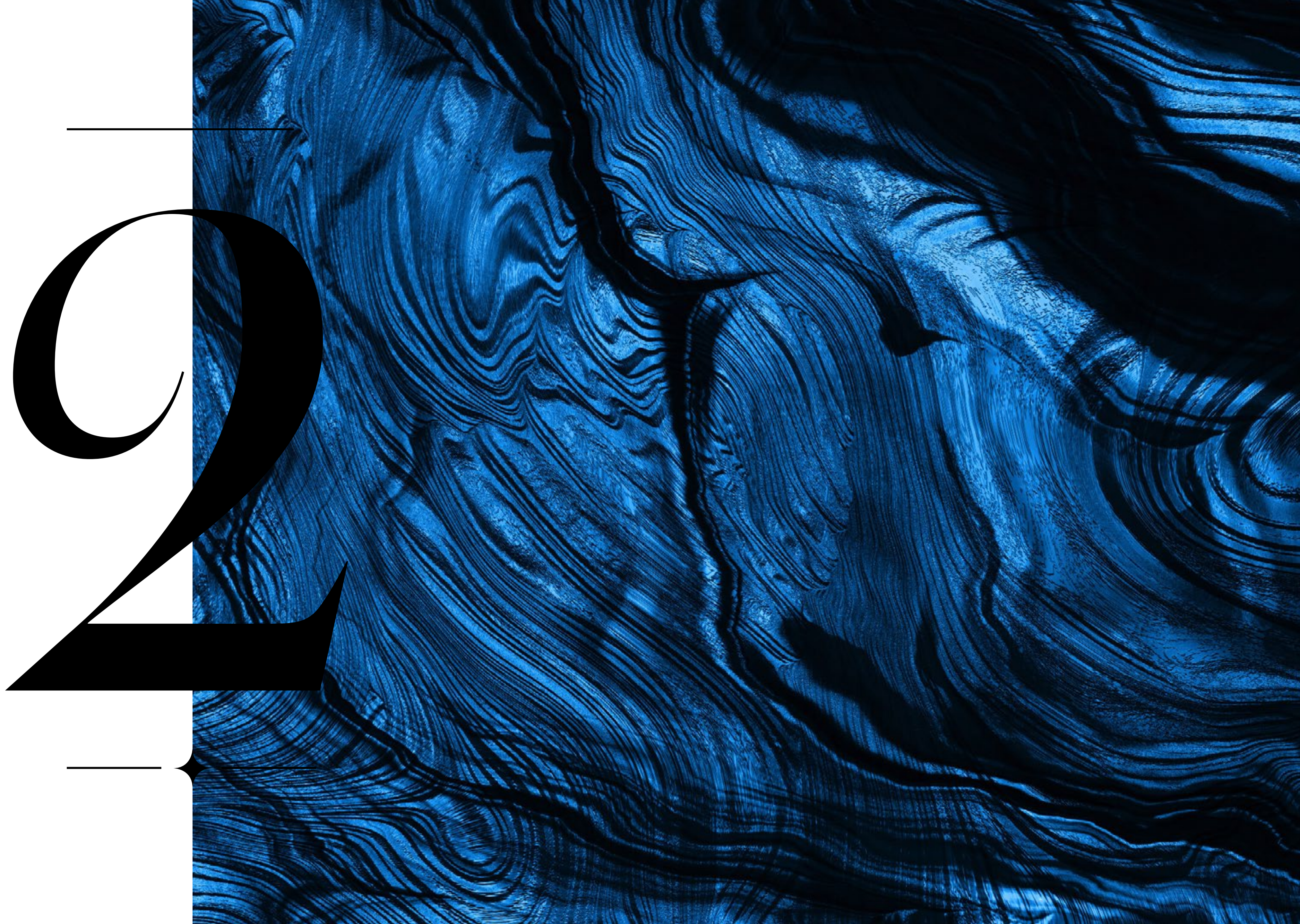


Anticipating and making changes proactively  
» Solvency  
  
Creating financial well-being in society  
» Taxes

Minimising own environmental impacts  
» Development trend  
  
Security of data processing  
• *Goal: ISO 27001 certification 2021 (Finland)*  
» Training, information security deviations, requests for access  
» ISAE 3000 type 1 report, in future also ISO 2700

Collaborative projects  
» Effectiveness  
  
Responsible procurement  
» Compliance with the procurement policy  
» Number of completed supplier assessments









— 1 —

## Number one place to work in Finland and top position in Europe

In February 2020, Mandatum Life was selected as the number one place to work in Finland in the large companies category of the Great Place to Work® Institute's survey. In September 2020, Mandatum Life placed 10th in the large organisations category of the Great Place to Work Institute's list of the best workplaces in Europe. This was the highest ranking ever by a Finnish company as one of the best workplaces in Europe in the large companies category.





— 2 —

## Once again the highest overall score in the UN's Principles for Responsible Investment assessment

The international investor initiative Principles for Responsible Investment (PRI) annually assesses its members' investment operations.

The assessment tells organisations how they have progressed in integrating responsible investment, as well as areas where their investment operations are in need of improvement. Mandatum Life received the highest score (A+) in the Strategy & Governance and Property categories. Mandatum Life was assessed in nine categories, achieving at least the median score or better in all categories.





## — 3 —

# We identified three UN goals that are especially important with regard to our operations and impacts

In 2020, we assessed the UN's Sustainable Development Goals and their targets to identify the ones we can have the biggest impact on. The work was carried out together with an external partner to ensure comprehensive assessment. During the project, all 17 Sustainable Development Goals and their 169 targets were assessed in relation to the business and the Group's sustainability themes.



2



# Money is a driver of change

We believe that, in the long run, companies who operate responsibly will yield better results as investment objects, thanks to their more favourable growth prospects and more predictable cost development. The investment assets flowing into more responsible companies put these companies in a better position to succeed and push other companies to improve their ways of operating.

Integration of sustainability aspects in Mandatum Life's investment process is continuous. Mandatum

Life has committed to the UN's Principles for Responsible Investment. We monitor investments on the basis of the UN Global Compact principles, among other things. In accordance with the EU's action plan on sustainable finance, our objective in investment operations is the comprehensive assessment and management of sustainability impacts.

Taking climate change into account and reducing investments' carbon footprint is one of the focal points of Mandatum Life's investment operations. We have

signed the UN's Montréal Pledge and disclose the carbon footprint of our investments annually. We also work together with WWF Finland to promote responsible investing and to mitigate climate change.

Key indicators to measure the sustainability of investment operations are the score in the assessment of UN's Principles for Responsible Investment and investments' carbon footprint.

MONEY IS A DRIVER OF CHANGE



Commitment to the UN’s Principles for Responsible Investment

- *Integrating sustainability aspects in the investment process and the monitoring of investments, for example, according to the Global Compact principles.*
  - » The international investor initiative Principles for Responsible Investment (PRI) annually assesses its members’ investment operations. The assessment tells organisations how they have progressed in integrating responsible investment, as well as areas where their investment operations are in need of improvement. Mandatum Life received the highest score (A+) in the Strategy & Governance\* and Property categories.
- *Assessment and efficient management of sustainability impacts in investment operations and reducing the carbon footprint of investments*
  - » The carbon footprint of unit-linked assets managed by Mandatum Life is measured annually. The latest result is for 2019 when, measured by financed emissions, the total carbon footprint of the investments was 26 percent below the general market indices.

HIGHEST OVERALL SCORE IN AN ASSESSMENT OF RESPONSIBLE INVESTMENT PRINCIPLES

In 2020, Mandatum Life once again received the highest overall score (A+) in the UN Principles for Responsible Investment’s (PRI) assessment.

The PRI is an international investor initiative that annually assesses how its members’ investment operations compare year-on-year and with peers in various

categories. The assessment tells organisations how they have progressed in integrating responsible investment, as well as areas where their investment operations are in need of improvement. Mandatum Life Wealth Management was assessed in nine categories, achieving at least the median score or better in all categories.

Mandatum Life received the highest score (A+) in the Strategy & Governance\* and Property categories. The company received the highest score in Strategy & Governance also in 2019. In 2020, the company also attained the highest score in the Property category.

Worldwide, only approximately one third of PRI members receive this score.

“We can be pleased with our performance in every asset class. Investors have shown great interest in alternative investments, such as real estate, in recent years, and the trend has continued this year, too. Raising our score in the real estate investment category is the fact that we joined the Global Real Estate Sustainability Benchmark (GRESB), which measures the sustainability of real estate investment companies and funds on the level of the entire real estate portfolio,” says



SUMMARY SCOREBOARD

Category	Mandatum Life 2020	Median score 2020	Mandatum Life 2019
Strategy & Governance	A+	A	A+
Listed Equity	A	A	A
Private Equity	A	A	A
Property	A+	A	A
Listed Equity - Incorporation	A	A	A
Listed Equity - Active Ownership	B	B	B
Fixed Income - SSA	A	B	A
Fixed Income - Corporate Financial	A	B	A
Fixed Income - Corporate Non-Financial	A	B	A

\* For several years, the Strategy & Governance category was called ‘Overall Score’. This term was no longer used in the 2020 assessment.

Senior Portfolio Manager in charge of developing responsible investment, *Topias Kukkasniemi*.

Mandatum Life’s scores in the PRI comparison ranged from excellent to good. The company’s weakest score (B) was in the Listed Equity – Active Ownership category. Mandatum Life does not generally vote in shareholder meetings, which influenced this particular score.

“In our experience, the most natural way to engage with companies is to discuss matters directly with their executive management. The meetings focus, for instance, on a company’s governance, relative position

and operating methods compared to other companies in the same business sector, and on the direction and pace of development of its business processes. We also pay attention to the scope and quality of companies’ CSR reporting,” says Kukkasniemi.

“In our discussions, we additionally take note of how prepared the company is to rectify possible shortcomings. If an investee company is not willing to invest in the responsibility of its business, the investment may be divested,” he adds.

Mandatum Life signed the UN Principles for Respon-

sible Investment in 2011 and has accordingly committed to incorporating ESG factors in its investment processes, to being an active owner and to promoting the principles of responsible investment.

CARBON FOOTPRINT OF INVESTMENTS  
CLEARLY BELOW THE MARKET INDEX LEVEL

Taking climate change into account and efficiently managing the climate risk is one of the focal points of Mandatum Life’s investment operations. Mandatum Life has committed to measuring and reducing

the carbon footprint of its investments over time. As a member of the Portfolio Decarbonization Coalition investor network, Mandatum Life’s objective is to minimise investments’ emissions globally by actively managing the climate risks of investment operations and offering opportunities to invest in companies with a smaller carbon footprint. Through the UN’s Montréal Pledge, Mandatum Life annually publishes the results of its investment emissions measurement.

“We continuously work to promote this matter by managing the climate risks of our investment operations. We determine the carbon footprint of our investments annually and monitor it separately for each investment basket or fund. In practice, the portfolio managers for each investment basket, fund or responsibility area are responsible for effectively managing the climate risk of the investment object they manage. For our customers, this is reflected, for example, in being able to check the carbon footprint of individual investment baskets in the investments’ monthly reviews,” explains *Topias Kukkasniemi*, Senior Portfolio Manager from Mandatum Life.

Measurement data on the carbon footprint of unit-linked assets managed by Mandatum Life for 2020 will not be available until after this corporate responsibility summary has been published.

*The most recent measurement data refers to 2019.* The annual carbon footprint of the investments totalled 1,357,008 (1,151,030) CO<sub>2</sub>e tonnes in 2019. The increase in the total carbon footprint compared to the previous measurement is due to the increase in assets under management. Measured by financed emissions\*, the total carbon footprint of the investments was 26 per cent below the general market indices. In equity investments, the carbon footprint was 37 per cent below the market indices, and in fixed income investments, 21 per cent below. The investments’ average carbon intensity\*\*, which defines the investee companies’ emissions in relation to annual net sales, decreased 20 per cent from the previous year.

*\* Financed emissions reflect the investment portfolio’s emissions in relation to the invested capital. In equity investments, emissions are proportioned to the company’s market value, and in fixed income investments, to the amount of debt. Emissions are allocated to the investment portfolio in proportion to the holdings.*

*\*\* Average carbon intensity is an alternative way of measuring an investment portfolio’s carbon risk. With carbon intensity, emissions are proportioned to the company’s net sales. The reported figure is a weighted average of the investments’ carbon intensity.*

**HOW THE MEASUREMENT WAS CARRIED OUT:**

The measurement covered the investment assets managed by Mandatum Life within the company’s own investment baskets, full-mandate wealth management and allocation investment baskets, as per the situation on 31 December 2019.

The measurement was carried out by ISS ESG.

The measurement covers approximately 78 per cent of the unit-linked investment assets managed by Mandatum Life Investment Services Ltd.

The carbon footprint of the investees is based on the Carbon Disclosure Project’s (CDP) data on the emissions of the companies. Where no data is available, the emissions have been estimated using ISS ESG’s sector-specific models.



”Climate change mitigation  
requires channelling investments  
to low-carbon investment objects.”

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## HOW AN INVESTOR MITIGATES CLIMATE CHANGE – AN UPDATED GUIDE ON CLI- MATE RISK MANAGEMENT

Mandatum Life and WWF Finland published an updated guide for investors on the management of climate risks in February 2020. Investors play a key role in achieving environmentally critical goals and in mitigating financial risks related to climate change.

Climate change mitigation requires channelling investments to low-carbon investment objects. The updated guide provides investors with tools for building an investment portfolio and making investment deci-

sions. The guide is part of the co-operation launched between Mandatum Life and WWF Finland in February 2017, aiming at promoting responsible investing to mitigate climate change. The backdrop to this is the need to adjust the investment sector’s operations to the level required by the 1.5–2-degree temperature goal agreed on in the Paris climate agreement.

“I believe that the guide we have published together will help companies, foundations and private persons make their investment portfolios part of the solution, not part of the problem,” says WWF Finland’s Legal Advisor *Raija-Leena Ojanen*.

Mandatum Life’s and WWF’s guide presents concrete

ways for investors to prepare for change and to minimise negative climate-risk impacts on their investment portfolio’s performance. The climate guide (only in Finnish) can be downloaded for free on Mandatum Life’s website. Climate issues were brought to the forefront also through a webinar open to all, which attracted around 250 participants. The goal is to continue communicating on this topic and to keep it in the spotlight in 2021.

*Read more (only in Finnish)*

[RISKEISTÄ MAHDOLLISUUKSIIN - SIJOITTAJAN OPAS](#)

[ILMASTORISKIEN HALLINTAAN \(INVESTOR’S GUIDE TO CLIMATE  
RISK MANAGEMENT: FROM RISKS TO OPPORTUNITIES\)](#)



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## MANDATUM LIFE PARTICIPATED IN THE UPRIGHT PROJECT QUANTIFYING NORDIC INVESTORS' NET IMPACTS

Mandatum Life participated in the Finnish Upright Project's Net Positive Nordics research consortium that looked into the net impacts of Nordic investors. The study was based on Upright's net impact model which uses artificial intelligence to measure the impacts of companies and investments on the environment, society, health and information.

As part of the project, we received an estimate of the net

impacts of five of Mandatum Life's investees: ML European Small & Mid Cap, ML Global Sustainable Equity, Mandatum Life's Nordic High Yield fund, Mandatum Life Senior Loan Strategy investment basket and Mandatum Life Fixed Income investment basket.

According to Upright's analysis, the net impact of these investments was positive. Mandatum Life's investees also fared well compared to other Finnish investors.

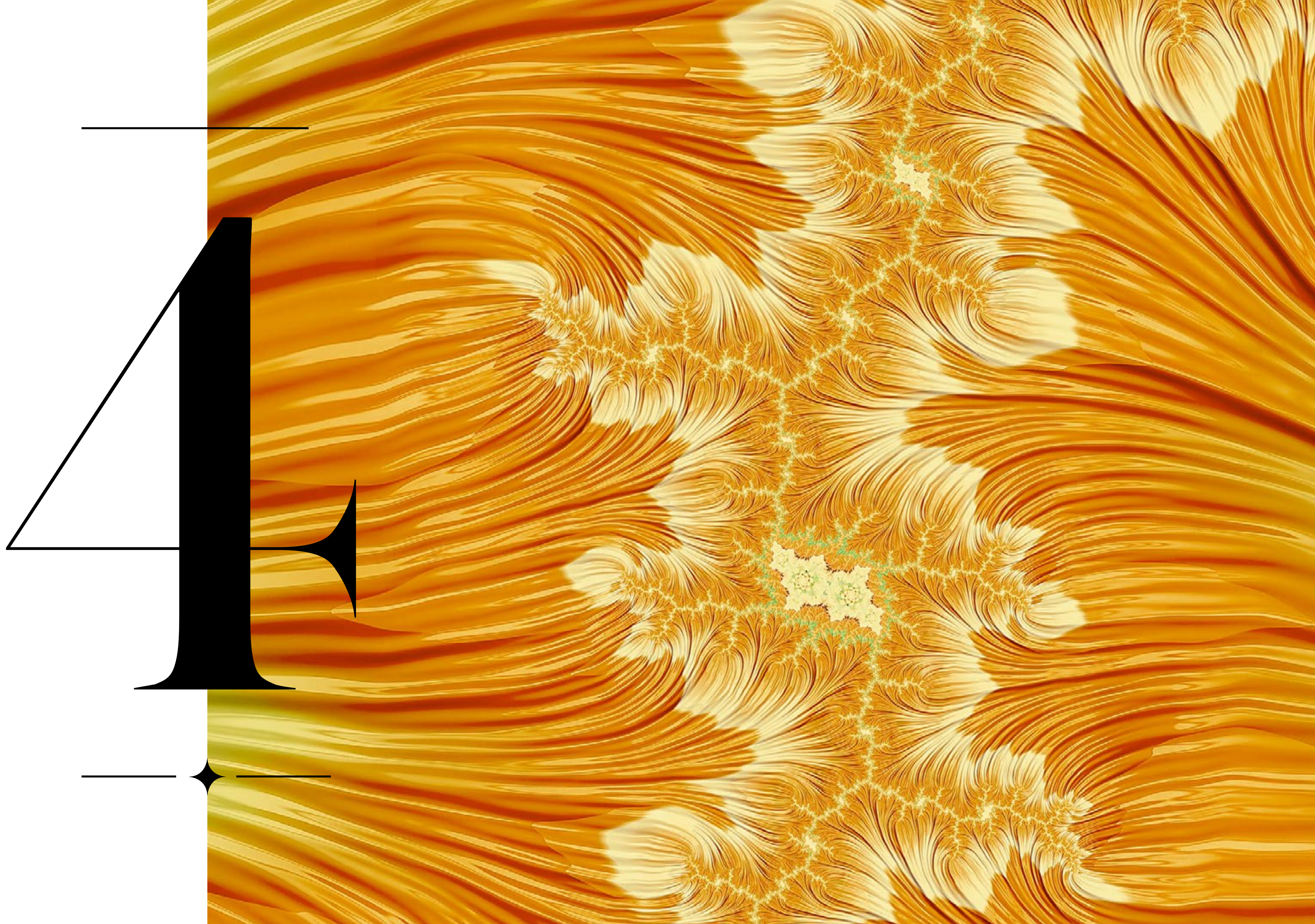
We participated in the project because we wanted to find out what Upright's method was like, what kind of additional information it could offer investors and how it could support investment decision-making.

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## MORE DETAILED INFORMATION ON INVESTEEES

In 2020, we started publishing sustainability reviews on our website to disclose investees' ESG risk rating, detected norm violations, carbon dioxide emissions and the portfolio manager's comments. These reviews have also been sent to institutional customers. The published reviews cover European Small & Mid Cap, Global Sustainability Equity, Global Sustainability Equity, Fixed Income Portfolio and Nordic High Yield.







# It all comes down to people

Through its business operations, Mandatum Life strives to improve the financial security of Finns and promote a good working life. Our services help companies strengthen their competitiveness. Another key aspect is how we help our customers reward their personnel fairly and responsibly. Our services help Finns secure a sufficient income during retirement and, for example, when facing financial adversity.

*Examples of our service offering and their impacts*

» **Responsible employee rewards and compensation and financial preparedness through personnel funds**

Well-managed business creates well-being in society and strengthens competitiveness. Mandatum Life offers companies tools for good leadership and reward schemes, as well as a means of monitoring and assessing the employees' impact on the company's financial

success and work satisfaction. Personnel funds offer employees the opportunity to save and invest. For employers, it is a reward and management tool that can be used to guide work in the right direction.

» **Supplementing pension cover**

Our aim is to increase Finns' awareness and their possibilities to ensure that their income is sufficient during retirement. Earlier retirement could lead to insufficient pension cover for entrepreneurs, for example, if they have not properly prepared for it. Investing or taking out insurance is a way to supplement one's pension cover. Pension cover that is supplemented by the employer through group pension insurance guarantees a better income level during retirement and reduces the need for employees to prepare themselves.

» **Supplementing statutory social insurance cover**

A growing number of Finns are concerned about their

income in the face of financial adversity. Mandatum Life's personal risk insurance increases customers' and their families' financial security in the event of serious illness, disability or death.

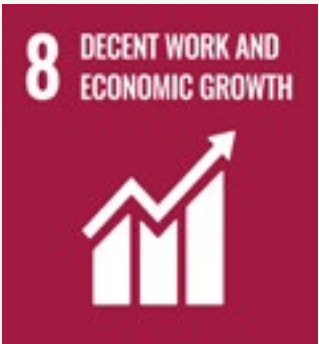
» **Providing security to entrepreneurs fosters entrepreneurship**

Mandatum Life's services for entrepreneurs secure the continuity of their business and supplement the statutory cover of the entrepreneurs and their families.

We monitor and measure the realisation of sustainability in terms of this theme in three ways. The first is customer satisfaction (Net Promoter Score), in which our target level for 2020 was 70. Secondly, we measure the satisfaction of personnel fund boards and reward consultation customers. Our third indicator is the development of the number of Pay Scale studies, equality assessments and reward pulses.



IT ALL COMES DOWN TO PEOPLE



Supporting the well-being of customers and their personnel through Mandatum Life’s products

- » Responsible employee rewards and compensation and financial preparedness through personnel funds, supplementing pension cover, supplementing statutory social security, providing security for entrepreneurs
- » Customer satisfaction (NPS) was 72.5 in 2020.

We help our customers in rewarding their personnel fairly and responsibly

- » The fund management service meets the needs of our fund well or very well, 100%. (Fund Board survey).
- » The size of the Pay Scale market salary comparison grew to 63 data sets. The number of equality assessments and reward pulses carried out in 2020 was still low; the objective is to increase their number.

SMOOTH CUSTOMER SERVICE REMOTELY DURING THE COVID-19 PANDEMIC

As a result of the Covid-19 pandemic, Mandatum Life’s employees started teleworking in March 2020, and the majority of our personnel continued working from home throughout the rest of the year. The majority of our customer meetings also moved to a virtual form.

The coronavirus crisis also caused the market situation to change rapidly, making it necessary to monitor the economy more intensively than usual. Due to the market volatility, customers have shown more

interest than usual in the performance of their investments and the contents of their insurance. Therefore, Mandatum Life’s customer work played an increasingly important role during spring. We were able to respond to our customers’ expectations, and the customer survey scores have remained high during the emergency period.

Due to the pandemic, customer communications were substantially increased. We started to publish a weekly market review in spring. All customer events were organised virtually, due to the pandemic. We organised around 40 virtual events during the year.

”Due to the pandemic, customer communications were substantially increased.”



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## A STUDY INTO REWARDS THAT MOTIVATE

Well-managed business creates well-being in society and strengthens competitiveness. That is why we wanted to take a closer look at the remuneration systems in place in Finnish companies and employers' and employees' views on how motivating and effective these systems are.

Therefore, we conducted a survey in 2020 and received responses from a total of 302 employer representatives and 1,007 employees from Finnish companies. Accord-

ing to the results of Mandatum Life's employee reward and compensation survey 2020, monetary rewards are the best motivator for high performance. Employees value all forms of financial reward systems more than employers estimated. In addition, as much as 36 per cent of employees would be willing to accept a smaller basic salary if performance bonuses would help them achieve higher overall earnings.

“There has been a lot of discussion lately about the meaningfulness of work and employee engagement. When employees were asked to place different motivators in order of importance according to how well

they motivate them to high performance, monetary rewards came out on top. Monetary rewards and meaningful work go hand in hand, however. This is yet another survey that indicates that for work to motivate employees, both of these aspects have to be in order,” says Mandatum Life's Business Director of Reward Services *Kiisa Hulkko-Nyman*.



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# Leading by example

Taking responsibility for personnel ensures successful business. For Mandatum Life, personnel's well-being is a strategic goal.

Our future goal is to make even more effective use of our employees' competence and enthusiasm in developing our business. Leading by example is Mandatum Life's vision for its responsibility in personnel matters, according to which the organisations that are able to make full use of their employees' competence will be winners in the future.

*Our key goals include:*

- Employment
- Professional development
- Growing intellectual capital
- Responsible leadership practices and equality

We measure the realisation of sustainability in many ways. Mandatum Life offers its entire personnel comprehensive insurance cover and the opportunity to fund their bonuses in a personnel fund. Responsibility for personnel also means providing security for employees and their families in case of financial risks. We also pay particular attention to the benefits linked to work-ability management and employee well-being.

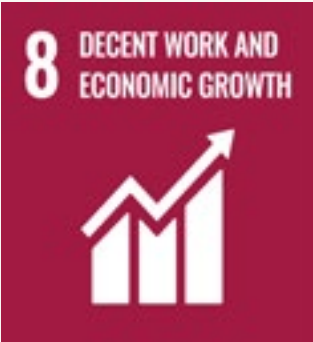
Our equality goal is to have at least 40% representation of each gender at the different management levels. Mandatum Life has comprehensive training and mentoring programmes. Job rotation is also one of the ways we support professional development. We conduct 360-degree evaluations for supervisors.

We have participated for a long time in the Great Place to Work Finland survey with excellent results. We especially keep track of the overall score for the Finnish operations and the responses to the "Overall this is a very good workplace" claim.

Other key sustainability indicators include absences due to illness by country, employee turnover and accidents.



LEADING BY  
EXAMPLE



Employment

- » Number of employees: 568 (573 in 2019)
- » Our goal is to employ young people and students. We had 12 summer workers and summer trainees. In addition, several trainees worked over the summer at Mandatum Life.

Personnel funds and comprehensive insurance cover for the whole personnel

- » All our employees are covered by accident insurance. All employees covered by the bonus system (sales bonus or performance bonus) are covered by the personnel fund, i.e. our entire regular personnel.

Responsible leadership practices and equality

- *At least 40% representation of each gender at different management levels*
- » In 2020, Mandatum Life had at least 39 per cent representation of each gender at different management levels (38% in 2019).
- » Women accounted for 44.4 per cent of the directors reporting to the CEO. The proportion of women on the Board of Directors was 25 per cent and 33.3 per cent in the Executive Management Group.
- » 360-degree evaluations for supervisors are carried out every two years; the next time in 2021.

Professional development

- » The in-house mentoring programme was launched in September 2020 and will end in June 2021. Twelve pairs, i.e. 24 employees participated in the mentoring programme.

Growing intellectual capital

- » Four job rotations took place in 2020, and in three cases, job rotations that had started in 2019 were continued. In addition, people have applied for open positions and transferred to new positions within the company.

Occupational health and well-being

- » In the Great Place to Work Finland survey, the trust index measuring employees’ overall satisfaction was 86%. 92% agreed with the claim: “Overall, this is a very good workplace”
- » Absences due to illness at Mandatum Life 1.4% and by country:
  - » Finland 1.4%
  - » Estonia 1.8%
  - » Latvia 0.3%
  - » Lithuania 0.8%
- » Employee turnover at Mandatum Life: 8.1%
- » Accidents: 0



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## FINLAND'S BEST AND EUROPE'S TENTH BEST PLACE TO WORK

Employee satisfaction was set as one of Mandatum Life's strategic goals already back in 2008, and the company made it on the list of Finland's best workplaces for the tenth year in a row.

Mandatum Life achieved the highest ranking ever by a Finnish company as one of the best workplaces in Europe in the large companies category, and in addition Mandatum Life was selected as the number one place to work in Finland in the large companies category of the Great Place to Work® Institute's survey.

"During its years in the Great Place to Work survey,

Mandatum Life has expanded to the large organisations category. Throughout our years of co-operation, we have been able to witness Mandatum Life's efforts to develop the company's corporate culture, which has been inventive and bold, but at the same time supportive of the sector's security and reliability. Developing the corporate culture has been a clear value choice and strategic focus for Mandatum Life's senior management. Through its exemplary systematic efforts, Mandatum Life has been recognised as one of Finland's best places to work ten times in a row, and now deservedly takes first place in the large organisations category," says *Katriina Grönqvist*, CEO of Great Place to Work Finland.

"The cornerstone of our success is that we have successfully created a culture based on trust, good lead-

ership, a flat hierarchy and commitment. It has been easy to build a deeper dimension of caring, which also gives attention to smaller details, on top of highly effective HR practices. Many ideas that make day-to-day life better come from the employees themselves, and when new practices are developed, the employees are included in the process and are listened to closely. We strongly believe that our positive and eager attitude will continue to take us forward," says Vice President, Human Resources, *Jatta Gerdt*.

In 2020, a total of 150 organisations participated in the Great Place to Work survey in Finland, and 3,000 organisations in Europe.

The ranking in the survey is based on an employee satisfaction survey and an analysis of the workplace



EXCELLENT RESULTS

Like in 2019, 91% of our employees would recommend Mandatum Life as an employer. Our trust index, measuring employees’ overall satisfaction, was the best in our history: 86% (84). Response rate: 90% (2019: 87%)

86 % (2019: 84 %)

Trust Index total score (average of all claims):

92 % (2019: 90 %)

Overall, this is a very good workplace

87 % (2019: 87 %)

In my opinion, our ways to engage with society are good

95 % (2019: 97 %)

People are treated equally here, regardless of their origins

91 % (2019: 91%)

People are treated equally here, regardless of their gender

91 % (2019: 91 %)

I would recommend Mandatum Life as an employer

culture carried out by the Great Place to Work Institute’s experts. This year’s employee survey consisted of 64 claims, divided into five areas: credibility, respect, fairness, pride and team spirit. The analysis of the workplace culture focusses on the organisation’s HR practices and looks into how well they support the building of an employee-driven HR culture.

COVID-19 TURNED PEOPLE’S LIVES UPSIDE DOWN, WHAT DID MANDATUM LIFE DO?

While staying physically distant throughout the year, our goal has been to keep everyone connected throughout the organisation. Not only the company’s management and supervisors, but also co-workers

have looked out for their colleagues. The threshold for receiving help has been very low.

» We established a coronavirus preparedness team and increased communications

During the pandemic period our concern for people has been translated into words and deeds. In February, we established a Covid-19 preparedness team responsible for assessing the current situation, making company-level decisions on measures and operating models, and communications.

While the media has provided a wealth of information on the coronavirus situation, we have communicated on the subject on a regular and employee-driven basis, explaining how the evolving pandemic situation is affecting our operations. We have discussed the situa-

tion based on facts, openly and repeatedly.

In addition to the CEO’s weekly info session, supervisors have also organised regular info sessions and all units and teams have held remote meetings more frequently than usual. We have also communicated on the subject regularly on the intranet.

» We transitioned to remote work

All Mandatum Life employees started teleworking on 13 March 2020 and have been working from home since then. We had the capabilities for teleworking in place. Although our daily work life changed overnight, the new work setup has been very successful and our employees’ overall well-being has remained good.

As working remotely means that we no longer get to



meet one another face-to-face on a daily basis, asking each other how we are doing does not come as naturally. In 2020, we launched an ML Pulse mood survey pilot. The objective of the survey is to gain insight into how personnel are coping with remote work, what their mood is like and how well they recover through sleep and physical activity. The survey was responded to every two weeks. Based on the results, people have enjoyed working from home.

Over the course of the coronavirus pandemic, the situation has evolved rapidly, prompting us to adopt a proactive decision-making approach. Therefore, we have regularly published clear instructions on all exceptions affecting daily work life. Are we allowed to come to the workplace or not? How do we report working hours? A clear structure and easy-to-find instructions

have provided security and continuity in employees' lives. Our instructions have sometimes gone into a great level of detail, which goes to show that we want to keep our customers and employees healthy and safe. We also wish to provide clear guidelines to enable each employee to focus their efforts and energy on their own core task. For example, we initially concentrated on serving our existing customers, and returned to more normal customer work later in the year.

**» Other forms of support**  
We have also been rethinking our various processes and employment benefits, with the biggest changes concerning occupational health services. We decided to include Covid-19 and antibody tests in the free occupational health services offered to all employees. We also increased the psychological support provided by occu-

pational health services, as the uncertain situation has been likely to affect well-being and coping at work. A number of other traditional benefits were also adapted to better suit the situation. Mandatum Life had in place a meal benefit based on electronic restaurant vouchers, but since the restaurant offering was not accessible to everyone, the decision was made to temporarily pay the meal benefit with the salary. In addition to normal exercise benefits, employees were offered the opportunity to participate in virtual yoga classes twice a week.

Many of our employees had children at home, who needed to be cared for and taught. We wanted to be active in enabling various types of flexible arrangements, such as making use of flexible working hours or the hours accumulated in the working time bank. Working shorter hours, dividing holidays into short-



”Employees were given the opportunity to devote eight hours of their working time to corporate responsibility work in 2020.”

er periods and exchanging holiday pay for additional days off helped employees recover and reconcile work and childcare.

**HELPING TOGETHER! EVERYONE HAD THE OPPORTUNITY TO DO VOLUNTEER WORK DURING WORKING HOURS**

Tough times require important measures. That is why Mandatum Life encouraged its entire personnel to engage in corporate responsibility work.

Employees were given the opportunity to devote eight hours of their working time to corporate responsibility work in 2020. This could involve offering profes-

sional expertise to someone in need of it or providing some other kind of support in an area important to the employee.

Voluntary work was carried out in a variety of places: Mandatum Life employees helped, for instance, SOS Children’s Villages, Suomen Mentorit and Hurstin Apu food aid.

**OUR EMPLOYEE BENEFITS – ADDITIONAL SECURITY FOR PERSONNEL**

The entire personnel is covered by comprehensive off-working hours accident insurance. This protects the employees and their families in the event of a per-

manent injury caused by an accident or accidental death. In addition, a significant proportion of personnel has disability and life insurance.

We supplement our employees’ pension security with group pension insurance covering the entire personnel.

Mandatum Life’s Personnel Fund enables long-term saving under the safety net of professional investment operations. The Personnel Fund is an open, transparent and fair solution that aims at long-term benefits. Mandatum Life encourages long-term saving by paying an additional 20-percent bonus to employees who decide to fund their bonuses.



6



# Foundation of our work

At Mandatum Life, financial responsibility means ensuring the continuity, profitability, earnings power and solvency of operations in all market situations. Ensuring continuity creates the foundation for the sustainable and responsible management of customers' insurance-related liabilities and customers' investments and pensions over the decades. That is why risk management is also a key component of Mandatum Life's financial responsibility. The most important goals of the risk management process are to ensure the

sufficiency of capital in relation to business risks and to curb variations in financial performance in the long run.

Financial responsibility also means proactively responding to different situations, such as changes taking place within and outside of the organisation, such as the coronavirus pandemic.

Mandatum Life is a major employer and taxpayer in

society. The company employed approximately 570 people in Finland and the Baltic countries in 2020. Mandatum Life has been one of Finland's largest taxpayers for many years.

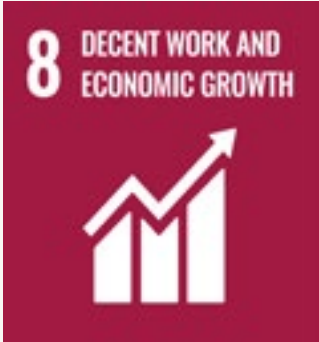
Key components of the sustainability foundation of our work also include the security of data processing, our collaborative projects and the reduction of the environmental impacts of our own operations.



The components of Mandatum Life's corporate responsibility and link to the UN's SDG goals

Material matters and goals  
» Indicators

FOUNDATION OF OUR WORK



Anticipating and making changes proactively

- » At the end of December 2020, Mandatum Life's solvency ratio was 188 per cent (194% in 12/2019), and without the application of the transitional provisions, it was 159 percent (159% in 12/2019).

Creating financial well-being in society

- » Mandatum Life paid EUR 36.8 million in taxes in 2020.

Security of data processing

- » Data protection online training completion rate: 99%
- » Information security online training completion rate: 99%
- » Requests for access: 2
- » Personal data protection incidents: 17
- » Other information security incidents: 0

Goal: ISO 27001 certification 2021 (Finland)

- » ISAE 3000 type 1 report, in future also ISO 27001

Minimising own environmental impacts

- » Mandatum Life's GHG emissions were calculated and disclosed for 2020. The GHG emissions for 2020 were 976.6 tonnes (571.1 tonnes in 2019). The emissions increased 71 per cent. The figures are not comparable, because the increase can be explained by, among other things, a more comprehensive collection of data.

Collaborative projects

- » The impactfulness of the collaborative projects can be concretised, for example, through the co-operation with the Tukikummit foundation. More than 3,000 children had benefited from a donated accident insurance policy by the end of 2020.

Responsible procurement

- » In 2020, a total of 40 supplier assessments were completed.



GHG EMISSIONS (TCO2E),  
MANDATUM LIFE

	2020	2019
Scope 1 – Direct GHG emissions	55.1	0
Scope 2 – Indirect GHG emissions	363.6	108
Scope 3 – Other indirect GHG emissions	557.9	463
Scope 1–3 GHG emissions, total	976.6	571
GHG emissions per employee	1.96	1.21

Mandatum Life measures and offsets the environmental impacts of its own operations

In 2018, Sampo plc initiated a project to calculate Group-level GHG emissions and harmonise the Group’s emission calculation principles.

As part of this project, Mandatum Life also calculated its GHG emissions in 2019. In this first stage, the calculations included electricity, business travel and fuel and energy-related activities.

In 2020, this work was continued by expanding the data

collection. In addition to electricity, commutes, fuel and energy consumption, the data collection included heating and products and services, such as IT equipment, paper consumption, the purchases related to the refurbishment of the office and the most important cloud services. In 2020, Mandatum Life’s total GHG emissions were 976.6 tonnes. The majority of the total emissions resulted from the refurbishment of our office, which had a one-time impact on our emissions. The emissions grew by 71 per cent from 2019, but the growth is largely attributable to the office refurbishment and more comprehensive data collection.

Mandatum Life’s emissions for 2019 were offset through the Prony Wind Power Gold Standard VER (Verified Emission Reduction) project. The Prony and Kafeate wind farms generate renewable energy in New Caledonia, which, like other islands of the Pacific Ocean, are especially vulnerable to the extreme weather and rising sea level caused by climate change. The project also creates jobs and supports the area’s sustainable development in line with the UN’s Sustainable Development Goals. Gold Standard certification guarantees the project’s transparency, quality and governance. The emissions for 2020 will also be offset.



**Our collaborative projects**

Mandatum Life supports the efforts of exceptional people and interesting projects. Every year we sponsor different cultural and sporting events and we donate to charity. We also collaborate with educational institutions and take part in various fairs and seminars.

*Examples of our co-operation in 2020:*

» **Tukikummit**

We work together with the Tukikummit foundation to prevent the marginalisation of children and adolescents. Mandatum Life donates accident insurance to the children of families facing the most difficult situations. During the collaboration, around 3,00 children or adolescents have been provided with accident insurance.

» **WWF Finland**

We work together with WWF Finland to promote responsible investing and to mitigate climate change. We create concrete operating models and guidelines on how investors can lower the carbon dioxide emissions of their investments in practice. In 2020, we jointly published a guide for investors on the management of climate risks and organised a webinar open to all on the topic.

» **Christmas gift money**

Mandatum Life and Kaleva Mutual Insurance Company made a donation again last Christmas to support efforts to promote a better future. The recipient of the Christmas gift was chosen based on a vote organised in November among the personnel. The We Foundation gathered the highest number of votes. To support its activities, we donated EUR 15,000 to the Foundation.

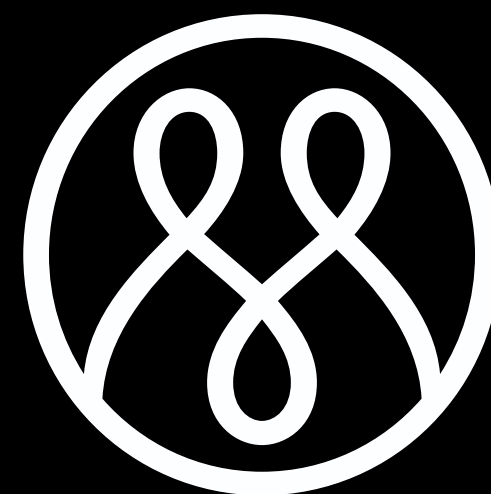
The We Foundation was founded in 2015 to promote inclusion and equality among children and adolescents. The Foundation’s operations in Finland encompass a network of community houses operating in regions and neighbourhoods that have a great need for work that promotes inclusion and equality. The We House is an open community space, a physical and digital “living room” that is open to everyone and which offers meaningful activities and services to the

area’s children, adolescents and families. The donation was used to help the foundation’s regional We House operations. Mandatum Life Asset Management’s Christmas gifts was donated in 2020 to Hope ry to help low-income families.

» **Other projects**

Mandatum Life supports Finland’s national alpine ski team and golf player Mikko Korhonen, sprinter Samuel Purola and chef Mikko Kaukonen, who represented Finland in the world’s most prestigious culinary competition. We are an Official Partner of the northern fell resort Levi and the main co-operation partner of the alpine ski club GrIFK Alpine r.f.





[WWW.MANDATUMLIFE.FI](http://WWW.MANDATUMLIFE.FI)

2020