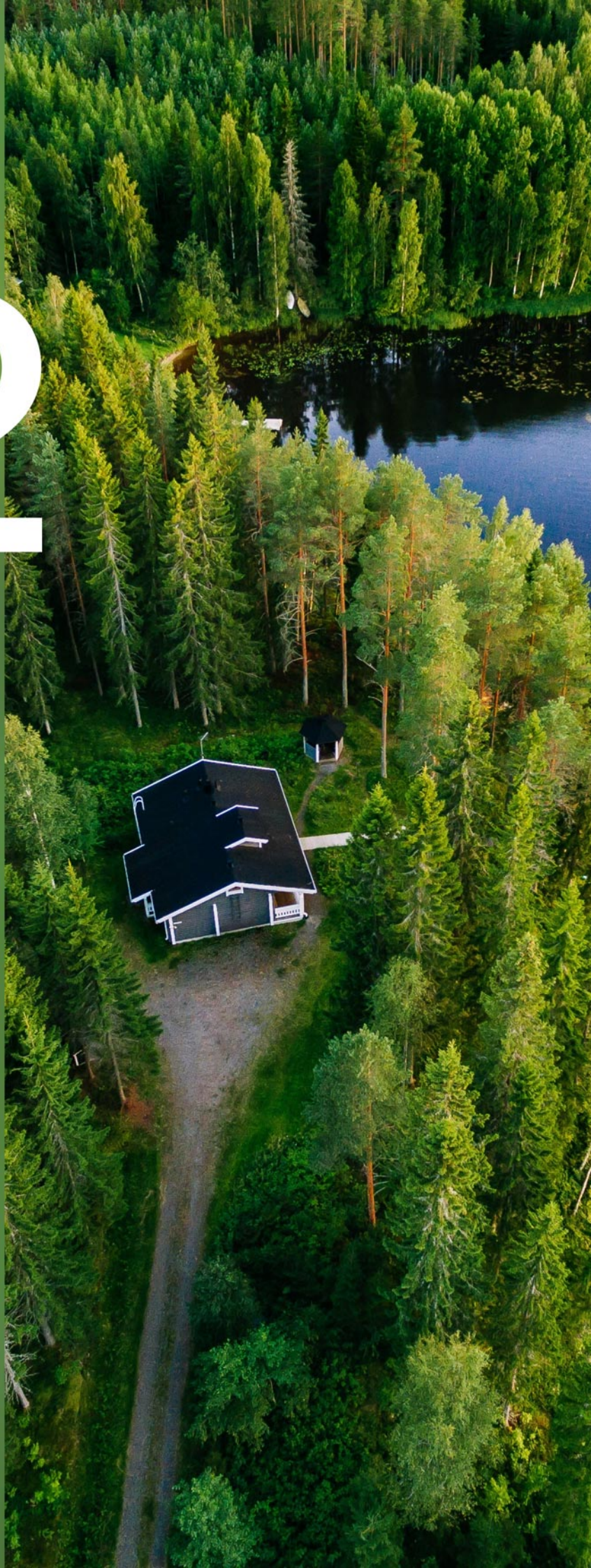


SAMPO  GROUP

Q2

Half-Year Financial Report

JANUARY-JUNE 2022
3 AUGUST 2022



Contents

Summary	3
Second quarter 2022 in brief	6
Group CEO's comment	7
Outlook	8
Outlook for 2022.....	8
The major risks and uncertainties for the Group in the near-term.....	8
Business areas	9
If.....	9
Topdanmark.....	12
Hastings.....	13
Mandatum.....	14
Holding.....	15
Other developments	16
Exit from Nordea.....	16
Return of excess capital.....	16
Group solvency.....	16
Financial leverage position.....	16
Ratings.....	17
Shares and shareholders.....	17
Annual General Meeting.....	18
Effects of external events on Sampo Group.....	18
Remuneration.....	19
Personnel.....	19
Events after the end of the reporting period.....	20
Tables	21
Group financial review.....	21
Calculation of key figures.....	23
Group quarterly comprehensive income statement.....	25
Statement of profit and other comprehensive income.....	26
Consolidated balance sheet.....	27
Statement of changes in equity.....	28
Statement of cash flows.....	29
Notes	30
Accounting policies.....	30
Comprehensive income statement by segment for six months ended 30 June 2022.....	33
Comprehensive income statement by segment for six months ended 30 June 2021.....	34
Consolidated balance sheet by segment at 30 June 2022.....	35
Consolidated balance sheet by segment at 31 December 2021.....	36
Other notes	37
1 Insurance premiums written.....	37
2 Net income from investments.....	38
3 Other operating income.....	39
4 Claims incurred.....	39
5 Staff costs.....	40
6 Intangible assets.....	40
7 Financial assets.....	41
8 Derivative financial instruments.....	41
9 Determination and hierarchy of fair values.....	42
10 Movements in level 3 financial instruments measured at fair value.....	48
11 Liabilities for insurance and investment contracts.....	50
12 Liabilities from unit-linked insurance and investment contracts.....	50
13 Financial liabilities.....	50
14 Contingent liabilities and commitments.....	52
15 Non-current assets held for sale.....	53
16 Subsequent events after the balance sheet date.....	53

Sampo Group's results for January-June 2022

- Group P&C gross written premiums grew by 7 per cent year-on-year, supported by strong renewals, high retention and rate actions.
- The Group combined ratio stood strong at 81.1 per cent (80.7).
- Underwriting profit increased by 3 per cent to EUR 679 million (658). Excluding COVID-19 effects reported in the first half of 2021, underwriting profit grew 17 per cent.
- Profit before taxes amounted to EUR 1,066 million (1,343) and earnings per share to EUR 1.61 (1.80). Excluding all Nordea-related items, profit before taxes was EUR 806 million (983).
- Group Solvency II coverage including dividend accrual increased to 233 per cent (185), driven by strong underwriting profits, the Nordea-exit and higher interest rates.
- A new share buyback programme of EUR 1 billion was launched in June 2022, following the completion of the previous programmes of EUR 750 million and EUR 228 million.

Key figures

EURm	1-6/2022	1-6/2021	Change, %	4-6/2022	4-6/2021	Change, %
Profit before taxes	1,066	1,343	-21	499	710	-30
If	662	566	17	379	309	23
Topdanmark	60	208	-71	23	71	-68
Hastings	25	85	-70	23	38	-41
Mandatum	116	141	-18	35	65	-46
Holding	203	343	-41	40	227	-83
Profit for the period	897	1,112	-19	414	586	-29
Underwriting profit	679	658	3	389	341	14
			Change			Change
Earnings per share, EUR	1.61	1.80	-0.19	0.75	0.99	-0.24
EPS (without eo. items), EUR *)	1.42	1.64	-0.22	0.61	0.82	-0.21
EPS (including OCI), EUR **)	-0.69	2.66	-3.35	-0.57	1.27	-1.63
RoE (including OCI), %	-6.7	25.2	-31.9	—	—	—

*) Nordea-related accounting effects of EUR 103 million in January-June 2022 have been defined as extraordinary items in accordance with Sampo Group's dividend policy. The comparison figures included extraordinary items of EUR 93 million.

***) OCI refers to Other comprehensive income.

The figures in this report have not been audited.

Sampo Group financial targets for 2021-2023

	Target	1-6/2022
Group	Mid-single digit UW profit growth annually on average (excluding COVID-19 effects)	3% (17% excluding reported COVID-19 effects in H1/2021)
	Group combined ratio: below 86%	81.1%
	Solvency ratio: 170-190%	245% (233% including dividend accrual)
	Financial leverage: below 30%	29.2%
If	Combined ratio: below 85%	78.9%
Hastings	Operating ratio: below 88%	88.6%
	Loss ratio: below 76%	75.4%

Financial targets for 2021-2023 announced at the Capital Markets Day on 24 February 2021.

January-June 2022 effects related to the COVID-19 pandemic have been very limited; hence, these will not be reported separately. For further information, please see section Other developments.

Financial highlights for January-June 2022

Sampo Group's core business, P&C insurance continued its strong performance and achieved an underwriting profit of EUR 679 million (658) in January-June 2022. Underwriting profit growth was 3 per cent year-on-year or 17 per cent adjusted for COVID-19 effects reported in the first half of 2021. The Group combined ratio was strong at 81.1 per cent (80.7), supported by solid underlying development and higher discount rates. The increase on prior year was driven by the unwind of COVID-19 effects, excluding which the combined ratio would have improved by 1.7 percentage points year-on-year. Gross written premiums increased by 7 per cent to EUR 4,769 million, supported by strong renewals, high retention and rate actions across the business, but particularly in Industrial lines. Sampo targets mid-single digit per cent underwriting profit growth on average and a combined ratio below 86 per cent for 2021-2023.

If P&C had a robust first half as its underwriting profit increased by 18 per cent year-on-year to EUR 522 million (442). The growth was driven by 2.2 percentage points improvement in the combined ratio to 78.9 per cent (81.1) and currency adjusted premium growth of 7.5 per cent. Premium development was supported by broad based growth, with Industrial and the Baltics seeing particularly notable positive development. If's adjusted risk ratio improved by 0.6 percentage points year-on-year and profit before taxes increased to EUR 662 million (566).

Topdanmark's profit before taxes decreased to EUR 60 million (208) in Sampo Group's profit and loss account, mainly driven by investment returns being affected by the challenging market environment. The combined ratio was 84.2 per cent (82.2).

Hastings has remained disciplined in a challenging UK motor insurance market in which pricing is not keeping up with elevated market wide claims inflation. As a result, overall policy count remained broadly stable over the first half at 3.2 million, despite 22 per cent growth in the home insurance book where the company is strongly positioned. Gross written premiums grew by 6 per cent on a currency adjusted basis as Hastings increased prices to cover claims inflation. The operating ratio increased to 88.6 per cent (76.5), driven by the unwind of COVID-19 effects and high claims inflation. Hastings' profit before taxes excluding non-operational amortisation amounted to EUR 55 million (105) and reported profit before taxes was EUR 25 million (85).

Mandatum segment's profit before taxes for the first half of 2022 decreased to EUR 116 million (141), as the investment result was adversely affected by a reduction in realised gains. Despite positive net flows of EUR 254 million, lower market values led to a decline in Mandatum's unit-linked and other client assets under management to EUR 10.3 billion from EUR 11.1 billion at the year-end 2021 and EUR 10.9 billion at the end of the first quarter. Mandatum Life's Solvency II ratio grew to 255 per cent (190), driven by a sharply decreased solvency capital requirement.

Holding segment's profit before taxes amounted to EUR 203 million (343), including a dividend of EUR 157 million from Nordea and a gain of EUR 103 million from selling all the remaining Nordea shares during the first half of 2022.

On 9 June 2022, Sampo launched a third buyback programme of EUR 1 billion, starting on 10 June and ending no later than 8 February 2023. In addition Sampo announced that management intends to propose to the Board of Directors a second distribution of capital in the form of a share buyback programme or extra dividend, or a combination thereof, in connection with the publication of the 2022 financial result. Prior to the launch of the latest buyback programme, Sampo had already completed its first two buyback programmes. In total, Sampo repurchased 15.7 million shares for a total of EUR 687 million in the first half.

Sampo Group's Solvency II ratio increased to 233 per cent from 185 per cent at the end of 2021 and 200 per cent at the end of March 2022, net of dividend accrual based on the 2021 insurance dividend of EUR 1.70 per share and the new buyback programme of EUR 1 billion. The increase of 33 percentage points from the end of the first quarter was driven by robust underwriting profit, the Nordea-exit and higher interest rates. Sampo targets a solvency ratio of 170-190 per cent.

Sampo Group's financial leverage increased to 29.2 per cent from 23.8 per cent at the end of 2021 and 24.8 per cent at the end of March 2022. The increase was driven by the payment of the annual dividend, executed share buybacks and adverse asset value development taken through other comprehensive income. Sampo targets a financial leverage below 30 per cent.

Second quarter 2022 in brief

In April-June 2022, Sampo Group reported profit before taxes of EUR 499 million (710) and earnings per share of EUR 0.75 (0.99). Excluding the positive accounting effect from the Nordea-exit, which will be defined as extraordinary in accordance with Sampo Group's dividend policy, profit before taxes amounted to EUR 424 million and EPS to EUR 0.61. The total comprehensive income, taking changes in the market value of assets into account, decreased to EUR -292 million (745) due to the adverse development in the financial markets. EPS including OCI amounted to EUR -0.57 (1.27).

The Group's underwriting profit increased by 14 per cent year-on-year to EUR 389 million (341). Excluding COVID-19 effects reported in the comparison period, underwriting profit grew by 29 per cent. The Group combined ratio amounted to 78.9 per cent (80.2).

If P&C's profit before taxes increased to EUR 379 million (309), while underwriting profit increased by 26 per cent to EUR 288 million (229). If's combined ratio improved to 77.1 per cent (80.7) and gross written premiums increased 8.4 per cent on a currency adjusted basis. Excluding the impact of large losses, severe weather, reported COVID-19 effects and prior year development, the adjusted risk ratio improved by 0.5 percentage points year-on-year.

Topdanmark's profit before taxes decreased to EUR 23 million (71) and the combined ratio increased to 80.7 per cent (79.7).

Hastings' profit before taxes amounted to EUR 23 million (38) and the operating ratio was 85.5 per cent (78.8). Live customer policy count was broadly stable over the quarter as growth in home insurance was offset by a disciplined approach to underwriting in motor insurance.

Mandatum segment's profit before taxes decreased to EUR 35 million (65).

Group CEO's comment

Our performance in the first half of 2022 showed the benefits of our resilient P&C insurance business, diversification and strong balance sheet, allowing us to deliver robust results despite challenging capital markets and macroeconomic conditions. We were also able to reach a key strategic milestone by completing the exit from Nordea and we continued to return excess capital.

Our P&C insurance operations delivered a very strong result for the first half of 2022, particularly in the Nordics where If P&C achieved currency adjusted premium growth of 7.5 per cent, a combined ratio of 78.9 per cent and growth in underwriting profit of 18 per cent. At Group-level, we are tracking well ahead of all our financial targets.

The Nordic P&C insurance market remains competitive but disciplined, supporting necessary rate increases. As expected, claims inflation has ticked up over the past quarter and now stands at just above four per cent, but this has been prudently covered with rate increases. We continue to monitor claims trends carefully and will react with further price adjustments, should these be needed.

If P&C's Nordic Industrial business has had an excellent first half of the year, with currency adjusted premium growth of 23 per cent and a combined ratio of 85.6 per cent. Conditions in the Nordic Industrial market are currently compelling following a withdrawal of capacity by some competitors, which has allowed us to increase rates to attractive levels over recent years. We have a leading position in Nordic Industrial lines, supported by long-term relationships with our customers, differentiated technical skills and substantial economies of scale.

Looking to the UK, conditions are more challenging, with competitive pricing and high claims inflation in the motor market. Despite this, our UK subsidiary Hastings has delivered a robust January-June 2022 result with price-led currency adjusted premium growth of 6 per cent and a solid operating ratio of 88.6 per cent. The relatively strong performance reflects Hastings' commitment to underwriting discipline, aligned with that of the broader Sampo Group, and its positioning as a modern insurer with a lean and agile operating platform. Looking to the second half of 2022, we will remain focused on increasing rates to protect margins in motor insurance, while looking for opportunities to build on the 22 per cent growth we achieved in home insurance.

Turning to the asset side of the balance sheet, the picture in the first half of the year was mixed from Sampo's perspective. The broad sell-off observed in the period has had a negative impact on mark-to-market investment returns, although the effect has been mitigated by the exit from Nordea. It is on the asset side that Sampo has seen the main effects of Russia's invasion of Ukraine; even though we have no direct investment exposures to the region, the conflict is adding to capital markets volatility.

On a more positive note, Sampo is well-positioned to benefit from higher interest rates, due to the short duration of our fixed income portfolio. We have seen an increase in the running yield of our Nordic P&C fixed income portfolio by 0.5 percentage points to 2.1 per cent over the second quarter, and we expect it to continue to rise over 2022 and 2023, assuming yields stay at least at current levels.

Following the exit from Nordea, Sampo is in an excess capital position; in line with our commitment to running an efficient balance sheet, we therefore launched a EUR 1 billion share buyback programme in June. Before this latest programme, we had already returned EUR 1 billion capital via two earlier share buyback programmes and EUR 2.2 billion through the 2021 dividend.

To conclude, I am pleased with what we have achieved in the first half of 2022 and consider the Group to be in a strong position to create shareholder value going forward.

Torbjörn Magnusson

Group CEO and President

Outlook

Outlook for 2022

Sampo Group's P&C insurance operations are expected to achieve underwriting margins that meet the annual targets set for 2021-2023. At Group level, Sampo targets a combined ratio of below 86 per cent, while the target for its largest subsidiary, If P&C, is below 85 per cent. Hastings targets an operating ratio of below 88 per cent. Following strong performance in the first half, the outlook for If P&C's 2022 combined ratio has been improved to 80.5-82.5 per cent from 82-84 per cent at the end of the first quarter.

The combined and operating ratios of Sampo Group's P&C insurance operations are subject to volatility driven by, among other factors, seasonal weather patterns, large claims, prior year development and fluctuations in claims frequency related to the COVID-19 pandemic. These effects are particularly relevant for individual segments and business areas, such as the Danish and UK operations.

The mark-to-market component of investment returns will be significantly influenced by capital markets' developments, particularly in life insurance.

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

The major risks and uncertainties for the Group in the near-term

In its current day-to-day business activities Sampo Group is exposed to various risks and uncertainties, mainly through its major business units.

Major risks affecting the Group companies' profitability and its variation are market, credit, insurance and operational risks. At the Group level, sources of risks are the same, although they are not directly additive due to the effects of diversification.

Uncertainties in the form of major unforeseen events may have an immediate impact on the Group's profitability. The identification of unforeseen events is easier than the estimation of their probabilities, timing, and potential outcomes. After the outbreak of the COVID-19 pandemic a combination of fiscal and monetary stimulus, supply chain problems and elevated demand for consumer goods have led to high levels of inflation, with energy and product prices being particularly affected. During 2022 the war in Ukraine has created a new negative supply shock for the global economy. As a result, inflation pressures have intensified and broadened forcing central banks to start tightening monetary policy, which may lead to both a significant slowdown in economic growth and a deterioration in the debt service capacity of businesses, households and governments. These developments are currently causing significant uncertainties on economic and capital market development. There are also a number of widely identified macroeconomic, political and other sources of uncertainty which can, in various ways, affect the financial services industry in a negative manner.

Other sources of uncertainty are unforeseen structural changes in the business environment and already identified trends and potential wide-impact events. These external drivers may have a long-term impact on how Sampo Group's business will be conducted. Examples of identified trends are demographic changes, sustainability issues, and technological developments in areas such as artificial intelligence and digitalisation including threats posed by cybercrime.

Business areas

If

If P&C is the leading property and casualty insurer in the Nordic region, where it offers solutions in all major lines of business through its four business areas; Private, Commercial, Industrial and Baltic. If's business model is based on high customer satisfaction, best in class underwriting and leveraging the scale benefits that its unified Nordic model offers. Excellent digital sales and service capabilities are a core part of If's strategy, particularly in the Private and SME Commercial market segments.

Results

EURm	1-6/2022	1-6/2021	Change, %	4-6/2022	4-6/2021	Change, %
Gross written premiums	3,267	3,045	7	1,343	1,243	8
Net earned premiums	2,469	2,341	5	1,253	1,190	5
Claims incurred	-1,443	-1,402	3	-708	-700	1
Operating expenses	-504	-497	2	-258	-261	-1
Underwriting result	522	442	18	288	229	26
Other technical income and expenses	-1	-1	-45	1	-1	-217
Allocated investment return transferred from the non-technical account	5	8	-34	2	4	-37
Technical result	526	449	17	291	232	25
Investment result	146	146	—	89	90	—
Allocated investment return transferred to the technical account	-19	-18	6	-10	-9	11
Other income and expenses	9	-11	-177	8	-4	-326
Profit before taxes	662	566	17	379	309	23

Key figures	Change			Change		
Combined ratio, %	78.9	81.1	-2.2	77.1	80.7	-3.6
Risk ratio, %	58.5	59.9	-1.4	56.5	58.8	-2.3
Cost ratio, %	20.4	21.2	-0.8	20.6	21.9	-1.3
Expense ratio, %	15.0	15.4	-0.4	15.1	15.9	-0.8
Large losses vs. normal*, %	-0.1	1.4	-1.5	-1.7	2.7	-4.4
Prior year development**, %	6.6	4.0	2.6	5.3	4.0	1.3

*) Positive large loss figures indicate above-normal large losses. Adjusting for an increase in the large claims budget in the second quarter of 2022, the large claims deviation would have been 1.1 percentage points and 2.0 percentage points for the first half and second quarter of 2021, respectively

***) Positive figures for prior year development indicate positive reserve run-off

Underwriting result

If P&C reported an underwriting result of EUR 522 million (442) for the first half of 2022, representing 18 per cent growth year-on-year. This was driven by a 2.2 percentage points improvement in the combined ratio to 78.9 per cent (81.1) and currency adjusted premium growth of 7.5 per cent. The result is ahead of If P&C's financial targets for 2021-2023 of mid-single digit growth in underwriting profit and a combined ratio below 85 per cent.

In the second quarter, If P&C delivered underwriting profit of EUR 288 million (229) – a 26 per cent increase year-on-year. Premiums grew by 8.4 per cent on a currency adjusted basis while the combined ratio improved by 3.6 percentage points to 77.1 per cent (80.7).

Premium development

If P&C reported gross written premiums, GWP, of EUR 3,267 million (3,045) in the first six months. Excluding currency effects, premiums grew by 7.5 per cent year-on-year, driven by exceptional growth in Industrial and the Baltics. Growth was robust across the business areas and driven primarily by rate increases, high retention and an increase in customer count. Currency adjusted premium growth in the second quarter stood at 8.4 per cent.

First half currency adjusted GWP growth in If P&C's Private business was 2.9 per cent driven by rate increases, positive development in the number of customers and continued strong retention at 90 per cent, while low new car sales continued to have an adverse effect. Geographically, Norway and Finland contributed the most. Currency adjusted premium growth in the second quarter stood at 2.4 per cent, supported by a rebound in travel insurance volumes.

In the first six months, Nordic new car sales continued to suffer with sales down by 19 per cent. In If's largest market Sweden new car sales declined 17 per cent year-on-year. However, the customer base in Sweden continued to grow despite less support from the motor segment. Excluding the Swedish mobility business, currency adjusted GWP growth in January-June was 5.6 per cent in Private and 9.2 per cent for If P&C as a whole. For the second quarter standalone, these figures stood at 5.3 per cent and 11.0 per cent, respectively.

Currency adjusted GWP growth in If P&C's Commercial business in January-June 2022 was 5.0 per cent year-on-year. The positive development was supported by healthy growth in all countries, with Sweden and Norway being particularly strong. Rate actions, continued improved retention and positive development in number of customers contributed to growth. Second quarter currency adjusted GWP growth was 5.9 per cent.

In the first half of 2022 If P&C's Industrial business saw very strong GWP growth of 22.8 per cent on a currency adjusted basis. Growth was primarily driven by strong renewals with significant rate actions and improved retention. Rate increases continued in all countries, with the largest contribution coming from the property segment. Geographically, each country showed double-digit GWP growth year-on-year with strongest development in Denmark and Norway. Currency adjusted premium growth in the second quarter stood at 33.2 per cent.

If P&C's Baltic business delivered very strong currency adjusted GWP growth of 22.8 per cent in January-June 2022. Growth was very strong in all three Baltic countries with continued rate increases, high retention and growing customer base. Second quarter premium growth was 23.7 per cent.

Combined ratio development

If P&C's January-June 2022 combined ratio of 78.9 per cent was 2.2 percentage points better year-on-year (81.1), driven by an improvement in the adjusted risk ratio and higher prior year gains, partly offset by a non-repeat of COVID-19 effects. The second quarter combined ratio of 77.1 per cent improved 3.6 percentage points year-on-year (80.7) supported by favourable large claims outcome and strong prior year development.

In the second quarter of 2022, the large claims budget was increased to reflect growth in business volumes in the Industrial business area; restating for this, large claims would have been 1.1 percentage points and 2.0 percentage points above budget in the first half and second quarter of 2021, respectively, measured as a percentage of net earned premiums. In the first six months 2022 large claims were 0.1 percentage points better than expected – an improvement of 1.2 percentage points compared to the same period last year. In the second quarter large claims reported were 1.7 percentage points better than expected, and 3.7 percentage points better than the same period last year (the second quarter of 2021 was negatively affected by large claims in Industrial Property).

In the first half of 2022 severe weather claims were 0.4 percentage points worse than expected and 0.1 percentage points better year-on-year. The severe weather effects reported were related to major winter storms in the first quarter. No severe weather claims were reported in the second quarter, nor in the comparison period.

As COVID-19 effects in the first six months of 2022 were very limited, no quantitative estimate is provided. However, in the comparison period January-June 2021, COVID-19 effects supported the combined ratio by

some 3 percentage points. The corresponding figure for the second quarter of 2021 was also 3 percentage points.

In the period of January–June 2022 the development on prior year reserves supported the combined ratio by 6.6 percentage points (4.0). The positive development related to changes in the mortality model in Finland and increased discount rates on annuity reserves. In the second quarter, prior year gains amounted to 5.3 percentage points (4.0), driven largely by higher discount rates, including a 0.25 percentage point increase in the Finnish discount rate to 1.0 per cent.

In the first six months risk ratio improved by 1.4 percentage points to 58.5 per cent (59.9). The adjusted risk ratio, which excludes the impact of large losses, severe weather, reported COVID-19 effects and prior year development, improved by approximately 0.6 percentage points year-on-year. The second quarter saw a 2.3 percentage points year-on-year improvement to 56.5 per cent (58.8) in the risk ratio. In the same period the adjusted risk ratio improved by 0.5 percentage points.

The January–June 2022 cost ratio improved by 0.8 percentage points to 20.4 per cent (21.2), while the second quarter cost ratio was 20.6 per cent (21.9). The cost ratio development benefited more from stronger growth in premium volumes than costs.

	Combined ratio,%			Risk ratio,%		
	1-6/2022	1-6/2021	Change	1-6/2022	1-6/2021	Change
Private	79.0	77.3	1.7	58.9	55.9	3.0
Commercial	75.3	85.4	-10.1	53.6	63.8	-10.2
Industrial	85.6	95.6	-10.0	68.3	76.3	-8.0
Baltic	90.6	86.0	4.6	63.3	58.1	5.2
Sweden	77.0	75.3	1.8	58.6	56.3	2.3
Norway	86.7	84.0	2.7	66.7	62.7	4.1
Finland	58.6	80.6	-22.0	37.6	58.5	-20.9
Denmark	99.8	98.3	1.4	73.9	69.8	4.1

	Combined ratio,%			Risk ratio,%		
	4-6/2022	4-6/2021	Change	4-6/2022	4-6/2021	Change
Private	80.6	77.6	3.0	60.0	54.7	5.3
Commercial	68.2	82.2	-14.0	46.7	60.8	-14.1
Industrial	78.7	98.4	-19.7	61.4	79.4	-18.0
Baltic	88.7	87.0	1.7	61.8	59.2	2.6
Sweden	78.0	76.0	1.9	59.2	56.7	2.6
Norway	81.6	76.0	5.6	61.7	54.6	7.1
Finland	54.8	85.6	-30.8	33.2	62.1	-28.9
Denmark	104.4	107.5	-3.1	78.1	76.3	1.8

Investment result

In the first six months, If P&C reported an investment result of EUR 146 million (146), and EUR 89 million (90) in the second quarter. Mark-to-market return on investments stood at -4.7 per cent (2.5), driven by increased interest rates and volatile credit and equity markets. For the second quarter the mark-to-market investment return was -2.7 per cent (1.0). At the end of the period, fixed income running yield was 2.1 per cent (1.5), equating to an increase of 0.5 percentage points from the 1.6 per cent reported at the end of the first quarter.

Profit before taxes

In total, If P&C reported profit before taxes for the first half of the year of EUR 662 million (566), representing an increase of 17 per cent year-on-year. For the second quarter profit before taxes was EUR 379 million (309). Total comprehensive income for the period January–June was EUR -121 million (591), and in the second quarter EUR -97 million (300).

Topdanmark

Topdanmark is Denmark's second largest non-life insurance company with a 16 per cent market share. It focuses on the private, agricultural, and SME markets. It is also present in the Danish life insurance market but has signed an agreement to divest this business. The company is listed on Nasdaq Copenhagen.

Results

EURm	1-6/2022	1-6/2021	Change, %	4-6/2022	4-6/2021	Change, %
Premiums, net	1,535	1,523	1	574	590	-3
Net income from investments	-1,448	809	—	-965	331	—
Other operating income	—	2	-72	—	1	-80
Claims incurred	-938	-994	-6	-464	-486	-4
Change in insurance liabilities	1,131	-966	—	999	-249	—
Staff costs	-156	-152	3	-78	-73	7
Other operating expenses	-57	-46	26	-38	-41	-7
Finance costs	-10	-6	65	-5	-3	80
Share of associates' profit/loss	3	38	-93	1	2	-44
Profit before taxes	60	208	-71	23	71	-68

Key figures

			Change			Change
Combined ratio, %	84.2	82.2	2.0	80.7	79.7	1.0
Loss ratio, %	68.0	66.0	2.0	64.6	64.1	0.5
Expense ratio, %	16.2	16.2	—	16.1	15.7	0.4

At 30 June 2022, Sampo plc held 43,509,663 shares in Topdanmark. The holding corresponds to an ownership of 48.3 per cent of all shares and 49.3 per cent of related voting rights. The market value of the holding was EUR 2,140 million.

Topdanmark's first half of 2022 was affected by storms and volatile financial markets but underlying business trends were solid. Topdanmark's profit before taxes for January-June 2022 in Sampo Group's profit and loss account decreased to EUR 60 million (208). The combined ratio for January-June 2022 was 84.2 per cent (82.2). The expense ratio was 16.2 per cent (16.2).

In June 2022, Topdanmark joined the Science Based Targets initiative (SBTi), an international alliance supported by the UN, which helps companies ensure that their climate goals live up to the Paris Agreement's goal of carbon dioxide (CO₂) reduction.

Topdanmark has signed an agreement in March 2022 to divest Topdanmark Liv Holding and all subsidiaries to Nordea Life Holding. Topdanmark continues to expect the divestment to be completed in the second half of 2022. The accounting treatment of Topdanmark's life insurance business in Sampo Group is described in Note 15.

Further information on Topdanmark A/S and its January-June 2022 results is available at www.topdanmark.com.

Hastings

Hastings is one of the leading digital general insurance providers in the UK predominantly focused on serving UK car, van, bike and home insurance customers. Hastings has over 3 million customers and operates via its two main trading subsidiaries, Hastings Insurance Services Limited in the UK and Advantage Insurance Company in Gibraltar.

Results

EURm	1-6/2022	1-6/2021	Change, %
Gross written premiums	605	554	9
Net earned premiums	269	248	9
Other operating income	193	184	5
Total revenue	462	431	7
Net insurance claims	-203	-157	29
Operating expenses	-207	-173	20
Underwriting profit	53	101	-48
Investment income	5	6	-17
Non-operational amortisation	-30	-20	47
Finance costs	-3	-2	13
Profit before taxes	25	85	-70

Key figures

			Change
Live customer policies (million)	3.2	3.1	3
Loss ratio, %	75.4	63.4	12.0
Operating ratio, %	88.6	76.5	12.1

Hastings delivered solid performance in the six months to 30 June 2022, prioritising pricing discipline in the face of market wide claims inflation of 10-12 per cent.

Gross written premiums increased 6 per cent year-on-year on a currency adjusted basis to EUR 605 million (554). Hastings has applied price increases ahead of the market, leading to lower written motor insurance volumes during the six months to 30 June 2022. Market prices have risen slightly during the second quarter, but at insufficient levels to cover claims inflation. Hastings has complied fully with the General Insurance Pricing Practises (GIPP) reform, which came into effect on 1 January 2022, and expects to become a net beneficiary versus its competitors over time.

The number of live customer policies ('LCP') increased during the first half of the year from 3.1 million at 31 December 2021 to nearly 3.2 million at 30 June 2022, equating to year-on-year growth of 3 per cent. This increase largely reflects the growth in home insurance, up 22 per cent year-on-year to over 355,000 policies supported by new data and pricing capabilities. Motor LCP remains largely constant, reflecting the cautious stance taken on pricing.

The calendar year loss ratio for January-June 2022 was 75.4 per cent (63.4), with the increase on prior year being driven by a reduction in COVID-19 related effects and elevated claims inflation. The latter is driven by increasing general inflation across all claim types including repairs, total losses, theft, third party costs and bodily injury. These adverse effects have been partially offset by a reduction in small bodily injury claims following the May 2021 whiplash reforms.

The operating ratio for January-June 2022 increased to 88.6 per cent from 76.5 per cent in the prior year, in line with the increase in the loss ratio.

Profit before taxes for January-June 2022 amounted to EUR 25 million (85) net of EUR 30 million (20) charge for amortisation of non-operational intangibles arising from the Sampo acquisition.

Good progress continues to be made in the delivery of strategic and operational initiatives. During the second quarter, investment has continued in pricing, claims and digital adoption in particular. Hastings remains well placed to respond to the current inflationary pressures and competitive market environment.

Mandatum

Mandatum is a leading Finnish financial services provider offering savings, asset management, personal risk and employee reward and retention services to private, corporate and institutional clients. Mandatum products are sold primarily in Finland, through advisers and partnership channels, but it also offers certain services, such as asset management, across the Nordic countries.

Results

EURm	1-6/2022	1-6/2021	Change, %	4-6/2022	4-6/2021	Change, %
Premiums written	781	703	11	301	433	-31
Net income from investments	-844	985	—	-535	504	—
Other operating income	17	16	5	9	10	-8
Claims incurred	-557	-617	-10	-296	-322	-8
Change in liabilities for insurance and investment contracts	803	-870	—	598	-523	—
Staff costs	-36	-30	21	-19	-15	27
Other operating expenses	-41	-39	4	-19	-20	-3
Finance costs	-7	-6	6	-3	-3	-1
Profit before taxes	116	141	-18	35	65	-46

Key figures

			Change			Change
Return on equity (including OCI), %	-31.6	28.9	-60.5	—	—	—

Mandatum segment's profit before taxes amounted to EUR 116 million (141) in first half of 2022. The total comprehensive income after taxes, which reflects changes in the market value of assets, was EUR -243 million (238).

The market environment was particularly challenging during the first half of 2022 and characterised by high volatility and decreasing market values tolerably within all asset classes. Mandatum's investment result taken through the P&L decreased to EUR 83 million (117), whereas the fair value investment result amounted to EUR -350 million (273). The mark-to-market investment return was -7.8 per cent in January-June 2022.

In the Solvency II calculation, Mandatum Life's own funds development remained slightly positive as higher interest rates offset the weak fair value investment result. Meanwhile, the solvency capital requirement decreased sharply mainly due to a reduction in the symmetric adjustment and lower asset values, leading to a record high Solvency II ratio of 255 per cent, up from 190 per cent at the end of 2021 and 216 per cent at the end of March 2022.

Adverse market movements drove a decline in Mandatum's third-party assets under management to EUR 10.3 billion at the end of June from EUR 11.1 billion at the year-end 2021 and EUR 10.9 billion at the end of the first quarter. However, net flows were slightly positive in the second quarter and in total EUR 254 in the first half of 2022.

Mandatum's operational result (expense result and result from Asset Management) was strong at EUR 22 million (10). The risk result increased to EUR 16 million (11).

Mandatum's with-profit liabilities with guarantees of 3.5 and 4.5 per cent decreased by EUR 80 million to EUR 1.7 billion (1.7). In total, with-profit reserves were EUR 3.1 billion (3.2) at the end of June 2022. Discount rate reserves decreased to EUR 243 million (274), as no new reserves were added during the first half. The discount rate is 0.25 per cent for years 2022-2025 and 0.75 per cent for 2026.

Holding

Sampo plc is the parent company of Sampo Group and responsible for the Group's strategy and capital management activities. In addition to the Group's insurance subsidiaries, a small number of direct investments are held in the holding company. Sampo's previous ownership in Nordea was consolidated into the P&L as an associated company until 25 October 2021 and fully exited on 29 April 2022.

Results

EURm	1-6/2022	1-6/2021	Change, %	4-6/2022	4-6/2021	Change, %
Net investment income	174	31	458	-1	11	—
Other operating income	103	9	1,091	75	4	1,634
Staff costs	-10	-11	-14	-6	-5	3
Other operating expenses	-7	-7	5	-4	-4	-8
Finance costs	-64	-48	33	-30	-22	36
Share of associates' profit	7	276	-97	4	150	-97
Reversal of impairment losses on Nordea shares	—	93	—	—	93	—
Profit before taxes	203	343	-41	40	227	-83

Holding segment's profit before taxes for January-June 2022 decreased to EUR 203 million (343).

Sampo completed the exit from Nordea during the second quarter, and the positive accounting effect from the transactions on Sampo's consolidated statement of profit and loss was EUR 75 million for the quarter and EUR 103 million for the first half. More information about the transactions is available under the section Exit from Nordea.

Sampo's share of Nordax's profit amounted to EUR 7 million (9) in January-June 2022. Holding segment's finance costs were increased mostly due to an effect of EUR -23 million from changes in derivatives' values and currency exchange rates in January-June 2022.

Other developments

Exit from Nordea

On 29 April 2022, Sampo sold its remaining Nordea holding through an accelerated bookbuild offering of 200 million shares. Before the bookbuild offering, Sampo had already sold 19 million shares in open market in the first quarter and 27 million shares in the second quarter of 2022.

The transactions generated total gross proceeds of EUR 2.3 billion, of which EUR 2.1 billion was raised in the second quarter. The positive accounting effect from the transactions on Sampo's consolidated statement of profit and loss was EUR 103 million, of which EUR 75 million was booked for the second quarter. The effect will be treated as an extraordinary item in the calculation of Sampo's dividend payout ratio for 2022.

Return of excess capital

In connection with the completion of the Nordea exit on 29 April 2022, Sampo disclosed that management intends to propose to the Board that a new share buyback programme is launched after the Annual General Meeting on 18 May 2022, subject to the AGM renewing the Board authorisation on share repurchases.

On 9 June 2022, Sampo's Board resolved to launch a EUR 1 billion buyback programme based on the authorisation granted by the Annual General Meeting. The maximum number of shares that can be repurchased is 30 million, corresponding to 5.6 per cent of the total number of shares in Sampo. The buyback programme started on 10 June 2022 and will end no later than 8 February 2023.

In addition, Sampo announced that the management intends to propose to the Board of Directors a second distribution of capital in the form of a share buyback programme or extra dividend, or a combination thereof, in connection with the publication of the 2022 financial result on 10 February 2023.

Group solvency

Sampo Group's Solvency II ratio increased by 41 percentage points to 245 per cent at the end of June 2022 from 204 per cent at the end of the first quarter of 2022 and 60 percentage points from 185 per cent at the year-end.

The increase in the ratio in the second quarter was primarily driven by the disposal of the remainder of Nordea shares, rising interest rates and robust underwriting result. The Nordea exit's positive impact was 29 percentage points. Offsetting this, the ongoing EUR 1 billion share buyback programme had a negative impact of 19 percentage points in the ratio. Including the accrued dividend of EUR 1.70 per share, the solvency ratio was 233 per cent.

Sampo Group targets a Solvency II ratio between 170 and 190 per cent.

Financial leverage position

Sampo Group targets financial leverage below 30 per cent. Financial leverage is calculated as Group's financial debt divided by the sum of IFRS equity and financial debt. On 30 June 2022, the financial leverage ratio for Sampo Group was 29.2 per cent, an increase of 5.4 percentage points from 23.8 per cent at the year-end 2021 and by 4.4 percentage points from the end of the first quarter. The rise in financial leverage was driven by a reduction in shareholders' equity related to the payment of the full year dividend, the execution of buyback programmes and the negative mark-to-market result on investments (taken mainly through other comprehensive income).

Sampo Group IFRS shareholders equity amounted to EUR 10,023 million at the end of June compared to EUR 13,464 million at the year-end. Gross debt decreased by EUR 70 million to EUR 4,141 million.

More information on Sampo Group's outstanding debt issues is available at www.sampo.com/debtfinancing.

Ratings

Relevant ratings for Sampo Group companies on 30 June 2022 are presented in the table below.

Rated company	Moody's		Standard & Poor's		Fitch Ratings	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
Sampo plc - Issuer Credit Rating	A3	Positive	A	Stable	-	-
If P&C Insurance Ltd - Insurance Financial Strength Rating	A1	Positive	AA-	Stable	-	-
If P&C Insurance Holding Ltd (publ) - Issuer Credit Rating	-	-	A	Stable	-	-
Mandatum Life Insurance Company Ltd - Issuer Credit Rating	-	-	AA-	Stable	-	-
Hastings Group (Finance) - Issuer default rating	-	-	-	-	A-	Positive

Shares and shareholders

In January - June 2022, Sampo repurchased its own A shares under three different buyback programmes based on the authorization granted by the Annual General Meetings of 2021 and 2022.

On 1 October 2021, Sampo announced a buyback programme of EUR 750 million. The repurchase of shares began on 4 October 2021 and ended on 25 March 2022. During that period, Sampo repurchased 17,128,505 of its own A shares at an average price per share of EUR 43.79. The amount corresponded to 3.08 per cent of all Sampo plc's shares. In line with the decision by the Board of Directors, these shares were cancelled at the end of March 2022.

On 30 March 2022, Sampo launched a new buyback programme of EUR 250 million at maximum. The share repurchases began on 31 March 2022 and ended on 17 May 2022. During that period, Sampo repurchased 4,961,994 of its own shares at an average price per share of EUR 45.85 with the total purchase price being EUR 228 million. The amount corresponded to 0.9 per cent of all Sampo plc's shares. In line with the decision by the Board of Directors, these shares were cancelled in May 2022.

On 9 June 2022, Sampo's Board resolved to launch a EUR 1 billion buyback programme based on the authorisation granted by the Annual General Meeting of 2022. The maximum number of Sampo shares that can be repurchased is 30 million, corresponding to 5.6 per cent of the total number of shares in Sampo. The buyback programme started on 10 June 2022 and will end no later than 8 February 2023. At the end of July 2022, Sampo plc owned in total 5,017,860 own A shares representing 0.94 per cent of the total number of shares in Sampo plc.

On 13 June 2022, Sampo announced that a total of 1,000,000 of its B shares have been converted into A shares in accordance with the conversion clause of Section 4 in Sampo's Articles of Association. The decision of conversion was made by the Board of Directors of Sampo plc on the request of Kaleva Mutual Insurance Company, the holder of Sampo's B shares. After the conversion, Kaleva held 200,000 B shares in Sampo plc.

After the cancellations of A shares in March and May 2022, and the conversion of B shares in June, the total number of Sampo shares, including 200,000 B shares, is 533,261,351. The total number of votes attached to the shares is 534,061,351.

During January - June 2022 Sampo plc received altogether five notifications of change in holding pursuant to Chapter 9, Section 5 of the Securities Markets Act, according to which the total number of Sampo A shares or related voting rights owned by BlackRock, Inc. and its funds directly or through financial instruments had decreased below 5 per cent or increased above 5 per cent. The details of the notifications are available at www.sampo.com/flaggings.

Annual General Meeting

The Annual General Meeting of Sampo plc, held on 18 May 2022, decided to distribute a dividend of EUR 4.10 per share for 2021. The record date for dividend payment was 20 May 2022 and the dividend was paid on 31 May 2022. The Annual General Meeting adopted the financial accounts for 2021 and discharged the Board of Directors and the CEO from liability for the financial year.

The Annual General Meeting increased the number of the members of the Board of Directors to nine members. Christian Clausen, Fiona Clutterbuck, Georg Ehrnrooth, Jannica Fagerholm, Johanna Lamminen, Risto Murto, Markus Rauramo and Björn Wahlroos were re-elected to the Board. Steve Langan was elected as a new member to the Board. The Members of the Board were elected for a term continuing until the close of the next Annual General Meeting. In connection with the AGM, Björn Wahlroos announced that he will not be available for re-election to the Board of Directors at the Annual General Meeting to be held in spring 2023.

At its organisational meeting, the Board elected Björn Wahlroos as Chair and Jannica Fagerholm as Vice Chair. Christian Clausen, Risto Murto, Markus Rauramo and Björn Wahlroos (Chair) were elected to the Nomination and Remuneration Committee while Fiona Clutterbuck, Georg Ehrnrooth, Jannica Fagerholm (Chair), Johanna Lamminen and Steve Langan were elected to the Audit Committee.

All the Board members have been determined to be independent of the company and its major shareholders under the rules of the Finnish Corporate Governance Code 2020. The curriculum vitae of the Board Members are available at www.sampo.com/board.

The Annual General Meeting decided to pay the following fees to the members of the Board of Directors until the close of the 2023 Annual General Meeting: the Chair of the Board will be paid an annual fee of EUR 190,000 and other members of the Board will be paid EUR 98,000 each. Furthermore, the members of the Board and its Committees will be paid the following annual fees: the Vice Chair of the Board EUR 27,000, the Chair of the Audit Committee EUR 27,000 and the member of the Audit Committee EUR 6,200 each. A Board member shall, in accordance with the resolution of the Annual General Meeting, acquire Sampo plc's A shares at the price paid in public trading for 50 per cent of his/her annual fee excluding taxes and similar payments.

The Annual General Meeting accepted Sampo plc's Remuneration Report for Governing Bodies. The resolution is advisory.

Deloitte Oy was re-elected as Auditor. The Auditor will be paid a fee determined by an invoice approved by Sampo. Jukka Vattulainen, APA, will act as the principally responsible auditor.

There were altogether 326,496,211 shares (60.66 per cent of shares) and 331,296,211 votes (61.01 per cent of all votes) in the company represented, including advance voting and a proxy representation, at the Annual General Meeting.

The minutes of the Annual General Meeting are available for viewing at www.sampo.com/agm and at Sampo plc's head office at Fabianinkatu 27, Helsinki, Finland.

Effects of external events on Sampo Group

The geopolitical uncertainty continued in the second quarter, driven partly by Russia's invasion into Ukraine. Sampo Group's insurance exposures in the affected region are limited to certain Nordic industrial lines clients, with coverage subject to war exclusions. On the asset side, Sampo has no material direct investments in Russia or Ukraine.

Given the limited direct exposure, the biggest risk from the war in Ukraine to Sampo relates to second order capital markets and macroeconomic effects. Volatility and uncertainty in the capital markets have continued to increase during the second quarter. The Group carries substantial market risk exposures via its strategic investments and through insurance company investment portfolios and liabilities, which may be adversely affected by market shocks. This risk taking is supported by financial buffers calibrated to withstand volatility, and Sampo operated above its target financial strength levels at the end of the second quarter.

Macroeconomic effects could also have an impact on Sampo's operational business, for example by reducing economic growth, aggravating supply chain problems and inflating commodity prices. These considerations are particularly relevant as supply chain disruption and high inflation had already become established prior to the invasion following the COVID-19 pandemic and associated monetary and fiscal stimulus programmes. Sampo's insurance business has continued to be resilient to these effects again in the second quarter.

In the Nordic and Baltic countries, COVID-19 effects in the second quarter were materially below the levels observed over 2021. Given the limited impact of COVID-19 and the increasing difficulty in reliably estimating associated effects, Sampo no longer discloses quantitative COVID-19 effects in 2022 financial reporting.

Remuneration

A total of EUR 73 million (66), including social costs, was paid as short-term incentives in January - June 2022 in Sampo Group. In the same period, a total of 14 million (3) was paid as long-term incentives. The increase in long-term incentive payouts is due to the vesting of several incentive plans in Hastings during the second quarter of 2022. The long-term incentive schemes in force in Sampo Group produced a negative result impact of EUR -11 million (-11). The terms of the long-term incentive schemes based on financial instruments of Sampo plc are available at www.sampo.com/incentiveterms.

In February 2022, Sampo Group published its Remuneration Report for Governing Bodies 2021 at www.sampo.com/remunerationreport/. The report has been prepared in accordance with the Corporate Governance Code 2020, issued by the Securities Market Association and effective from 1 January 2020. The remuneration of the Group Executive Committee members (excluding the Group CEO) can be viewed at www.sampo.com/remuneration_executive_committee.

Personnel

The average number of Sampo Group's employees (FTE) in January-June 2022 amounted to 13,586 (13,266). On 30 June 2022, the total number of staff in Sampo Group was 13,697 (13,374).

Sampo Group personnel	Average personnel (FTE) 1-6/2022	%
By company		
If	7,428	55
Hastings	3,055	23
Topdanmark	2,391	18
Mandatum	664	5
Sampo plc	48	0.4
Total	13,586	100
By country		
United Kingdom	3,029	22
Denmark	2,975	22
Finland	2,402	18
Sweden	2,363	17
Norway	1,583	12
Other countries	1,234	9
Total	13,586	100

Events after the end of the reporting period

Share buy-back programme

Sampo's share buyback programme announced on 9 June 2022 continued after the end of the reporting period. By Friday 30 July 2022 market close, the company had bought in total 5,017,860 Sampo A shares representing 0.94 per cent of the total number of shares in Sampo plc. The progress of the buyback programme can be followed on www.sampo.com/releases.

Disposal of Mandatum's Baltic life business

On 30 June 2022, Mandatum completed the sale of its Baltic life insurance business and the control for the life business was transferred to Invalda INVL on 1 July 2022. The transaction was originally disclosed in June 2021.

SAMPO PLC

Board of Directors

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Conference call

An English-language conference call for investors and analysts will be arranged at 4 pm Finnish time (2 pm UK time). Please call tel. +1 631 913 1422, +44 33 3300 0804, +46 8 5664 2651, or +358 9 8171 0310.

The conference code is 90572124#.

The conference call can also be followed live at www.sampo.com/result. A recorded version will later be available at the same address.

In addition, the Investor Presentation is available at www.sampo.com/result.

Sampo will publish the Interim Statement for January-September 2022 on 2 November 2022.

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www.sampo.com

Group financial review >

Financial highlights		1-6/2022	1-6/2021
GROUP			
Profit before taxes	EURm	1,066	1,343
Return on equity (at fair value)	%	-6.7	25.2
Equity/assets ratio	%	17.0	19.8
Group solvency ¹⁾	EURm	5,778	6,844
Group solvency ratio ¹⁾	%	245	209
Average number of staff		13,586	13,267
IF			
Premiums written before reinsurers' share	EURm	3,267	3,045
Premiums earned	EURm	2,469	2,341
Profit before taxes	EURm	662	566
Return on equity (at current value)	%	-7.7	39.3
Risk ratio ²⁾	%	58.5	59.9
Cost ratio ²⁾	%	20.4	21.2
Claims ratio ²⁾	%	63.9	65.7
Expense ratio ²⁾	%	15.0	15.4
Combined ratio ²⁾	%	78.9	81.1
Average number of staff		7,427	7,209
TOPDANMARK			
Premiums written before reinsurers' share, life insurance	EURm	695	702
Premiums written before reinsurers' share, P&C insurance	EURm	897	874
Premiums earned, P&C insurance	EURm	665	640
Profit before taxes	EURm	60	208
Claims ratio ²⁾	%	68.0	66.0
Expense ratio ²⁾	%	16.2	16.2
Combined ratio	%	84.2	82.2
Average number of staff		2,391	2,427
HASTINGS			
Premiums written before reinsurers' share	EURm	605	554
Premiums earned	EURm	269	248
Profit before taxes	EURm	25	85
Average number of staff		3,055	2,998

> Group financial review

MANDATUM		1-6/2022	1-6/2021
Premiums written before reinsurers' share	EURm	788	709
Profit before taxes	EURm	116	141
Return on equity (at current value)	%	-31.6	28.9
Expense ratio	%	88.1	98.4
Average number of staff		664	563
HOLDING			
Profit before taxes	EURm	203	343
Average number of staff		48	70
PER SHARE KEY FIGURES			
Earnings per share	EUR	1.61	1.80
Earnings per share without extraordinary items related to associate companies ³⁾	EUR	1.42	1.64
Earnings per share, incl. other comprehensive income	EUR	-0.69	2.66
Equity per share	EUR	17.94	21.47
Net asset value per share	EUR	19.24	23.60
Adjusted share price, high	EUR	48.74	41.40
Adjusted share price, low	EUR	35.85	33.82
Market capitalisation	EURm	22,051	21,525

¹⁾ The Group solvency is calculated according to the consolidation method defined in the Solvency II Directive (2009/138/EC).

²⁾ The key figures for P&C Insurance are based on activity based costs and cannot, therefore, be calculated directly from the consolidated income statement.

³⁾ Will be used as basis for setting dividends in accordance with the dividend policy.

The number of shares used at the balance sheet date was 531,094,597 and as the average number during the financial period 538,279,471.

In calculating the key figures the tax corresponding to the result for the accounting period has been taken into account.

In the net asset value per share, the Group valuation difference on the listed subsidiary Topdanmark has been taken into account. The comparison year includes also the valuation difference of associate at the time Nordea.

Calculation of key figures

Return on equity (fair values), %

$$\frac{\begin{array}{l} + \text{ total comprehensive income} \\ \pm \text{ valuation differences on investments less deferred tax} \\ + \text{ total equity} \end{array}}{\begin{array}{l} \pm \text{ valuation differences on investments less deferred tax} \\ \text{(average of values 1 Jan. and the end of reporting period)} \end{array}} \times 100 \%$$

Equity/assets ratio (at fair values), %

$$\frac{\begin{array}{l} + \text{ total equity} \\ \pm \text{ valuation differences on investments after deduction of deferred tax} \end{array}}{\begin{array}{l} + \text{ balance sheet total} \\ \pm \text{ valuation differences on investments} \end{array}} \times 100 \%$$

Financial leverage

$$\frac{\text{financial debt}}{\text{equity} + \text{financial debt}} \times 100 \%$$

Risk ratio for P&C insurance, %

$$\frac{\begin{array}{l} + \text{ claims incurred} \\ - \text{ claims settlement expenses} \end{array}}{\text{insurance premiums earned}} \times 100 \%$$

Cost ratio for P&C insurance, %

$$\frac{\begin{array}{l} + \text{ operating expenses} \\ + \text{ claims settlement expenses} \end{array}}{\text{insurance premiums earned}} \times 100 \%$$

Claims ratio for P&C insurance, %

$$\frac{\text{claims incurred}}{\text{insurance premiums earned}} \times 100 \%$$

Expense ratio for P&C insurance, %

$$\frac{\text{operating expenses}}{\text{insurance premiums earned}} \times 100 \%$$

Combined ratio for P&C insurance, %

Claims ratio + expense ratio

Expense ratio for life insurance, %

$$\frac{\begin{array}{l} + \text{ operating expenses before change in deferred acquisition costs} \\ + \text{ claims settlement expenses} \end{array}}{\text{expense charges}} \times 100 \%$$

Per share key figures

Earnings per share

profit for the financial period attributable to the parent company's equity
 adjusted average number of shares

Equity per share

equity attributable to the parent company's equity holders
 adjusted number of shares at the balance sheet date

Net asset value per share

+ equity attributable to the parent company's equity holders
 ± valuation differences on listed Group companies
 adjusted number of shares at balance sheet date

Market capitalisation

number of shares at the balance sheet date x closing share price at the
 balance sheet date

Exchange rates used in reporting

	1-6/2022	1-3/2022	1-12/2021	1-9/2021	1-6/2021	1-3/2021
EURSEK						
Income statement (average)	10.4746	10.4837	10.1465	10.1529	10.1312	10.1173
Balance sheet (at end of period)	10.7300	10.3370	10.2503	10.1683	10.1110	10.2383
DKKSEK						
Income statement (average)	1.4085	1.4086	1.3643	1.3652	1.3622	1.3608
Balance sheet (at end of period)	1.4424	1.3898	1.3784	1.3674	1.3597	1.3766
NOKSEK						
Income statement (average)	1.0499	1.0560	0.9983	0.9926	0.9956	0.9865
Balance sheet (at end of period)	1.0369	1.0645	1.0262	1.0003	0.994	1.0243
EURDKK						
Income statement (average)	7.4402	7.4408	7.4371	7.4368	7.4369	7.4373
Balance sheet (at end of period)	7.4392	7.4379	7.4364	7.436	7.4362	7.4373
EURGBP						
Income statement (average)	0.8420	0.8363	0.8599	0.8638	0.8682	0.8748
Balance sheet (at end of period)	0.8582	0.8460	0.8403	0.8605	0.8581	0.8521

Group quarterly comprehensive income statement

EURm	4-6/2022	1-3/2022	10-12/2021	7-9/2021	4-6/2021
Insurance premiums written	2,313	3,343	2,172	1,944	2,341
Net income from investments	-1,417	-566	1,272	315	932
Other operating income	232	144	104	127	125
Claims incurred	-1,583	-1,557	-1,606	-1,468	-1,581
Change in liabilities for insurance and investment contracts	1,550	-221	-828	25	-776
Staff costs	-309	-303	-298	-299	-288
Other operating expenses	-263	-236	-290	-242	-256
Finance costs	-40	-44	-36	-44	-32
Share of associates' profit/loss	16	6	-40	129	153
Valuation difference on disposal of associate shares	—	—	84	—	—
Reversal of impairment losses on Nordea shares	—	—	662	144	93
Profit for the reporting period before taxes	499	566	1,197	632	710
Taxes	-85	-84	-111	-82	-124
Profit for the reporting period	414	483	1,086	550	586
Other comprehensive income for the reporting period					
Items re-classifiable to profit or loss					
Exchange differences on translating foreign operations	-142	-12	16	-13	14
Available-for-sale financial assets	-744	-658	92	5	118
Cash flow hedges	0	1	0	0	0
Share of other comprehensive income of associates	-4	2	84	32	35
Taxes	162	117	-8	-1	-23
Total items re-classifiable to profit or loss, net of tax	-729	-550	184	22	144
Items not re-classifiable to profit or loss					
Actuarial gains and losses from defined pension plans	29	21	-2	28	18
Taxes	-6	-5	0	-6	-4
Total items not re-classifiable to profit or loss, net of tax	23	17	-2	22	15
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD	-292	-50	1,269	595	745
Profit attributable to					
Owners of the parent	399	467	1,048	518	547
Non-controlling interests	15	16	39	32	39
Total comprehensive income attributable to					
Owners of the parent	-307	-66	1,232	564	706
Non-controlling interests	15	16	37	30	39

Statement of profit and other comprehensive income

EURm	Note	1-6/2022	1-6/2021
Insurance premiums written	1	5,656	5,295
Net income from investments	2	-1,983	1,961
Other operating income	3	376	260
Claims incurred	4	-3,139	-3,165
Change in liabilities for insurance and investment contracts		1,328	-2,321
Staff costs	5	-612	-583
Other operating expenses		-498	-443
Finance costs		-84	-67
Share of associates' profit/loss		22	312
Reversal of impairment losses on Nordea shares		—	93
Profit for the reporting period before taxes		1,066	1,343
Taxes		-169	-231
Profit for the reporting period		897	1,112
Other comprehensive income for the reporting period			
Items re-classifiable to profit or loss			
Exchange differences		-155	77
Available-for-sale financial assets		-1,402	363
Share of associates' other comprehensive income		-2	70
Taxes		279	-74
Total items re-classifiable to profit or loss, net of tax		-1,279	436
Items not re-classifiable to profit or loss			
Actuarial gains and losses from defined pension plans		50	47
Taxes		-10	-10
Total items not re-classifiable to profit or loss, net of tax		39	37
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD		-342	1,585
Profit attributable to			
Owners of the parent		866	1,001
Non-controlling interests		31	111
Total comprehensive income attributable to			
Owners of the parent		-373	1,475
Non-controlling interests		31	109
Earnings per share (EUR)		1.61	1.80

Consolidated balance sheet

EURm	Note	06/2022	12/2021
Assets			
Property, plant and equipment		356	375
Investment property		172	568
Intangible assets	6	3,572	3,794
Investments in associates		442	777
Financial assets	7, 8, 9, 10	19,095	23,321
Investments related to unit-linked insurance contracts		9,821	19,711
Deferred tax assets		10	39
Reinsurers' share of insurance liabilities		2,359	2,295
Other assets		3,534	2,977
Cash and cash equivalents		4,064	4,819
Non-current assets held for sale	15	12,655	2,385
Total assets		56,079	61,061
Liabilities			
Liabilities for insurance and investment contracts	11	17,362	20,369
Liabilities for unit-linked insurance and investment contracts	12	9,801	19,550
Subordinated debt	13	2,006	2,016
Other financial liabilities	13	2,328	2,330
Deferred tax liabilities		565	855
Provisions		7	9
Employee benefits		26	26
Other liabilities		2,160	2,246
Liabilities related to non-current assets held for sale	15	11,802	196
Total liabilities		46,056	47,597
Equity			
Share capital		98	98
Reserves		1,530	1,530
Retained earnings		7,968	9,952
Other components of equity		-71	1,208
Equity attributable to owners of the parent		9,525	12,788
Non-controlling interests		498	676
Total equity		10,023	13,464
Total equity and liabilities		56,079	61,061

Statement of changes in equity

EURm	Share capital	Legal reserve	Invested unrestricted equity	Retained earnings ¹⁾	Translation of foreign operations ²⁾	Available-for-sale financial assets ³⁾	Total	Non-controlling interest	Total
Equity at 1 January 2021	98	4	1,527	9,282	-749	1,257	11,418	840	12,258
Changes in equity									
Dividends	—	—	—	-944	—	—	-944	-132	-1,076
Share-based payments	—	—	—	-1	—	—	-1	—	-1
Other changes in equity	—	—	—	-24	—	—	-24	—	-24
Profit for the reporting period	—	—	—	1,001	—	—	1,001	111	1,112
Other comprehensive income for the reporting period	—	—	—	67	119	289	475	-2	473
Total comprehensive income	—	—	—	1,068	119	289	1,475	109	1,585
Equity at 30 June 2021	98	4	1,527	9,381	-630	1,546	11,925	817	12,742
Equity at 1 January 2022	98	4	1,527	9,952	-415	1,622	12,788	676	13,464
Changes in equity									
Acquired non-controlling interests	—	—	—	1	—	—	1	-1	—
Dividends	—	—	—	-2,186	—	—	-2,186	-207	-2,393
Acquisition of own shares	—	—	—	-688	—	—	-688	—	-688
Share-based payments	—	—	—	-3	—	—	-3	—	-3
Changes in associate share holdings	—	—	—	-12	—	—	-12	—	-12
Other changes in equity	—	—	—	-2	—	—	-2	-1	-4
Profit for the reporting period	—	—	—	866	—	—	866	31	897
Other comprehensive income for the reporting period	—	—	—	39	-156	-1,122	-1,239	—	-1,239
Total comprehensive income	—	—	—	905	-156	-1,122	-373	31	-342
Equity at 30 June 2022	98	4	1,527	7,968	-571	500	9,525	498	10,023

¹⁾ IAS 19 Pension benefits had a net effect of EUR 39 million (67) on retained earnings.

²⁾ In the comparison year, the total comprehensive income includes also the share of associate Nordea's other comprehensive income, in accordance with the Group's holding. The retained earnings included EUR 30 million of items not re-classifiable to profit or loss. The change in translation of foreign operations included exchange differences EUR 42 million. Respectively, change in available-for-sale financial assets included Nordea's share of EUR -2 million.

In 2022, the translation differences include associate Nordax' share of exchange differences EUR -2 million.

³⁾ The amount recognised in equity from available-for-sale financial assets for the period totalled EUR -1,081 million (428). The amount transferred to p/l amounted to EUR -89 million (-133). EUR 48 million (-5) was transferred to the Segregated Suomi portfolio.

On 31 March 2022, Sampo plc cancelled own shares acquired in 2021, total of 17,128,505 shares. On 20 May 2022, Sampo plc cancelled own shares acquired in 2022, total of 4,961,994 shares.

Statement of cash flows

EURm	1-6/2022	1-6/2021
Operating activities		
Profit before taxes	1,066	1,343
Adjustments:		
Depreciation and amortisation	95	100
Unrealised gains and losses arising from valuation	1,001	-740
Realised gains and losses on investments	4	-163
Change in liabilities for insurance and investment contracts	81	2,521
Other adjustments *)	-1,843	-334
Adjustments total	-663	1,384
Change (+/-) in assets of operating activities		
Investments **)	-1,747	-812
Other assets	2,490	-355
Total	743	-1,167
Change (+/-) in liabilities of operating activities		
Financial liabilities	8	-72
Other liabilities	-903	40
Paid taxes	-180	-145
Paid interest	-86	-74
Total	-1,161	-251
Net cash used in operating activities	-16	1,309
Investing activities		
Investments in subsidiary shares	-1	—
Divestments in associate shares	2,291	1,377
Dividends received from associates	157	45
Net investment in equipment and intangible assets	-58	-46
Net cash from investing activities	2,390	1,376
Financing activities		
Dividends paid	-2,186	-943
Dividends paid to non-controlling interests	-207	-130
Acquisition of own shares	-688	—
Issue of debt securities	52	148
Repayments of debt securities in issue	-70	-16
Net cash used in financing activities	-3,098	-941
Total cash flows	-724	1,743
Cash and cash equivalents at the beginning of reporting period	4,819	2,520
Effects of exchange rate changes	-30	8
Cash and cash equivalents at the end of reporting period	4,064	4,272
Net change in cash and cash equivalents	-724	1,743

*) Other adjustments mainly relate to the sale of Nordea shares.

ʸ) Investments include investment property, financial assets and investments related to unit-linked insurance contracts.

The items of the statement of cash flows cannot be directly concluded from the balance sheets due to e.g. exchange rate differences, and acquisitions and disposals of subsidiaries during the period.

Cash and cash equivalents include cash at bank and in hand EUR 3,885 million (4,139) and short-term deposits (max 3 months) EUR 180 million (133).

Notes

Accounting policies

Sampo Group's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU. The interim financial statements are presented in accordance with IAS 34 *Interim Financial Reporting*. In preparing the interim financial statements, the same accounting policies and methods of computation are applied as in the financial statements for 2021.

The applied standards and interpretations are described in Sampo's accounting policies for the financial year 2021. The financial statements are available on Sampo's website www.sampo.com/year2021.

Accounting policies requiring management judgement and key sources of estimation uncertainties

Non-current assets held for sale

Topdanmark Forsikring's life and pension business

In March 2022, Sampo's subsidiary Topdanmark Forsikring announced an intention to sell Topdanmark Forsikring's life and pension business ('Topdanmark Life') to Nordea. The transaction is subject to regulatory approval. In Sampo Group, Topdanmark Life's operations have been reported as part of Topdanmark segment.

In accordance with the view of management, the sale is highly probable within the next 12 months. In Sampo Group, assets and liabilities related to Topdanmark Life's operations were classified to non-current assets held for sale in accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*.

Additional information on the reclassification of Topdanmark Life is included in the note 15 Non-current assets held for sale.

Nordea

In February 2021, Sampo's Board of Directors announced an intention statement to materially reduce Sampo's holding in Nordea over the following 18 months. In October 2021, Nordea's shares were classified to non-current assets held for sale in accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*.

On 29 April 2022, Sampo sold its remaining Nordea holding through an accelerated bookbuild offering of 200 million shares. Before the bookbuild offering, Sampo had already sold 19 million shares in open market in the first quarter and 27 million shares in the second quarter of 2022. The sale of Nordea shares ended the classification of shares as non-current assets held for sale.

The transactions generated total gross proceeds of EUR 2.3 billion, of which EUR 2.1 billion was raised in the second quarter. The positive accounting effect from the transactions on Sampo's consolidated statement of profit and loss was EUR 103 million, of which EUR 75 million was booked for the second quarter.

Application of new or revised IFRSs and interpretations

Preliminary view on high level impacts

Sampo Group will apply IFRS 17 *Insurance Contracts* and IFRS 9 *Financial Instruments* from 1 January 2023. The application of these new accounting standards is not expected to have any impact on the economics of Sampo's business or on capital management, nor any substantial quantitative effect on the shareholders' equity. Sampo Group's operations are focused on the P&C business and Sampo will mainly use the premium allocation approach under IFRS 17. Although it is a simplified version of the IFRS 17 general measurement model, it will require changes in the calculation of technical liabilities, including setting-up an explicit risk adjustment for non-financial risk. However, based on preliminary estimates, these are not expected to have a significant negative effect on the shareholders' equity.

The application of IFRS 9 is not expected to have significant impacts on Sampo Group's balance sheet, as the main part of financial assets is currently reported at fair value in the balance sheet. However, during future reporting periods, the fair value changes of financial instruments will be recognised in the statement of profit or loss, which is expected to increase earnings volatility.

Implementation of IFRS 17 or IFRS 9 is not expected to have an impact on the application of Solvency II calculations.

IFRS 17 Insurance Contracts (effective for annual periods beginning on 1 Jan 2023 or after)

The standard was adopted by the European Union on 19 November 2021, except for an optional exemption from applying annual cohort requirement for groups of contracts. Sampo Group is not planning to apply the exemption.

IFRS 17 will replace the current IFRS 4 *Insurance Contracts* and establishes principles for the recognition, measurement, presentation, and disclosures of insurance contracts. IFRS 17 is applied to insurance contracts, reinsurance contracts as well as to certain investment contracts with discretionary participation features. Under IFRS 17 the measurement of insurance contracts is based on the general measurement model applicable to all insurance contracts to measure insurance contract liabilities. Under the general measurement model insurance contracts are measured based on present value of future cash flows, adjusted to reflect the time value of money, including a risk adjustment and a contractual service margin. The contractual service margin represents the unearned profit that will be recognised in the statement of profit or loss when services are provided during future periods. At each reporting date, the fulfilment cash flows are remeasured using current assumptions.

Under IFRS 17 the variable fee approach is to be applied to direct participating insurance contracts. The variable fee approach represents a modification from the general measurement model where the treatment of Contractual Service Margin (CSM) is modified.

When certain criteria are met, insurers may apply a simplified approach, premium allocation approach (PAA), for the measurement of insurance contracts. Under this approach, the measurement of liability for remaining coverage is based on premiums received, which represents a simplification of the general measurement model. The premium allocation approach is eligible for insurance contracts with a coverage period of one year or less, or for contracts where the measurement based on this approach (PAA) would not differ materially from the measurement achieved under the general measurement model. Sampo Group has continued to assess the possible impacts of IFRS 17 during the reporting period and determined that the premium allocation approach will be applied in the Group's non-life companies. All three measurement models are to be applied in the life business. The variable fee approach will mainly be applied to unit-linked insurance contracts.

The implementation of IFRS 17 is expected to lead to significant changes in the presentation and the extent of disclosures in the financial statements. In the balance sheet Sampo Group's life operations' insurance contracts will be classified either as insurance liabilities under IFRS 17 or investment contract liabilities under IFRS 9. Insurance finance income or expenses are expected to be presented fully in the statement of profit or loss, and thus, the OCI option, allowed by the standard, will not be applied.

On transition to IFRS 17 a full retrospective approach and restatement of previous year's comparatives is required. However, if the application of a full retrospective approach is impracticable, then both a modified retrospective approach and a fair value approach may be applied. Based on the current view, a full retrospective approach will be applied in the Group's non-life companies whereas all transition methods are expected to be applied in the Group's life company.

During the reporting period Sampo Group has conducted a preliminary calculation of the opening balance 1 January 2022 under IFRS 17. Based on the preliminary calculation, the net transition impact on the IFRS 17 opening balance sheet is not expected to be significant. The indicative results of the calculations suggest that both assets and liabilities are expected to decrease mainly due to reclassifications of premium receivables and deferred acquisition costs from other assets to insurance liabilities. In addition, a significant part of life insurance liabilities will be in scope of IFRS 9, for which CSM does not apply, and hence, the CSM is expected to be relatively limited initially and to decrease further as the Group's with profits business continues to run off.

Sampo Group will prepare additional parallel runs and analyses during the financial year, and thus, the final IFRS 17 impacts may be different compared to the preliminary view.

Sampo Group continues to develop its reporting processes to meet the IFRS 17 requirements, with focus on both actuarial and financial items. Implementation of IFRS 17 is not expected to have an impact on the application of Solvency II calculations.

IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments* standard (effective for annual periods beginning on 1 Jan 2018 or after) supersedes IAS 39 *Financial Instruments: Recognition and Measurement*. Sampo is utilising the temporary exemption option, outlined in the following paragraph, and will apply the standard on the annual period beginning on 1 Jan 2023. The comparative period 2022 will not be restated. The new standard changes the classification and measurement of financial assets and includes a new impairment model based on expected credit losses.

IFRS 17 *Insurance Contracts* (effective for annual periods beginning on 1 Jan 2023 or after) will have an impact on the insurance liabilities valuation, and as a result, the insurance companies have been given additional options regarding the adoption of IFRS 9. If certain preconditions regarding the insurance liabilities are met, the company may apply the so-called temporary exemption option and defer the implementation until the adoption of IFRS 17, at the latest on annual period beginning on 1 Jan 2023. The temporary exemption may be applied, if the Group's amount of insurance liabilities is greater than 90 per cent of the total amount of liabilities. The application is also possible, if the ratio is greater than 80 per cent, and the Group does not engage in a significant activity unconnected with insurance.

Another allowed option (called "overlay approach") would have been to apply IFRS 9 from 1 January 2018, under which some of the valuation changes of financial assets would have been transferred from the statement of profit or loss to other comprehensive income to avoid accounting mismatch.

The Group has analysed the preconditions for applying the temporary exemption and concluded that they are met. Therefore, the Group is applying the exemption and will implement IFRS 9 *Financial Instruments* at the same time as IFRS 17 *Insurance contracts*.

The implementation of IFRS 9 is not expected to have a material impact on the Group's balance sheet, as the main part of financial assets is currently reported at fair value in the balance sheet, which will be the measurement principle also under IFRS 9.

Unlike in current accounting, under IFRS 9 the changes in fair value will be recognised in the statement of profit or loss, which is expected to increase earnings volatility during future reporting periods. Sampo Group has estimated that only a limited amount of financial assets will be recognised at amortised cost and thus the amount of expected credit losses is expected to remain minor. The measurement of financial liabilities is not expected to change.

Comprehensive income statement by segment for six months ended 30 June 2022

EURm	If	Top- danmark	Hastings	Mandatum	Holding	Elimina- tion	Group
Insurance premiums written	3,010	1,535	330	781	—	—	5,656
Net income from investments	133	-1,448	4	-844	174	-2	-1,983
Other operating income	67	—	193	17	103	-4	376
Claims incurred	-1,443	-938	-203	-557	—	2	-3,139
Change in liabilities for insurance and investment contracts	-541	1,131	-61	803	—	-3	1,328
Staff costs	-329	-156	-82	-36	-10	—	-612
Other operating expenses	-243	-57	-154	-41	-7	4	-498
Finance costs	-4	-10	-3	-7	-64	3	-84
Share of associates' profit/loss	12	3	—	0	7	—	22
Profit for the reporting period before taxes	662	60	25	116	203	0	1,066
Taxes	-136	-9	-1	-23	0	—	-169
Profit for the reporting period	526	51	24	93	203	0	897
Other comprehensive income for the reporting period							
Items re-classifiable to profit or loss							
Exchange differences	-105	1	-34	—	-17	—	-155
Available-for-sale financial assets	-733	—	-35	-432	-202	—	-1,402
Share of associates' other comprehensive income	—	—	—	—	-2	—	-2
Taxes	151	—	—	96	33	—	279
Total items re-classifiable to profit or loss, net of tax	-686	1	-69	-336	-188	—	-1,279
Items not re-classifiable to profit or loss							
Actuarial gains and losses from defined pension plans	50	—	—	—	—	—	50
Taxes	-10	—	—	—	—	—	-10
Total items not re-classifiable to profit or loss, net of tax	39	—	—	—	—	—	39
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD	-121	52	-45	-243	15	—	-342
Profit attributable to							
Owners of the parent							866
Non-controlling interests							31
Total comprehensive income attributable to							
Owners of the parent							-373
Non-controlling interests							31

Comprehensive income statement by segment for six months ended 30 June 2021

EURm	If	Top-danmark	Hastings	Mandatum	Holding	Eliminati on	Group
Insurance premiums written	2,826	1,523	243	703	—	—	5,295
Net income from investments	137	809	5	985	31	-7	1,961
Other operating income	60	2	184	16	9	-11	260
Claims incurred	-1,402	-994	-157	-617	—	5	-3,165
Change in liabilities for insurance and investment contracts	-485	-966	4	-870	—	-4	-2,321
Staff costs	-311	-152	-78	-30	-11	—	-583
Other operating expenses	-248	-46	-114	-39	-7	11	-443
Finance costs	-9	-6	-2	-6	-48	6	-67
Share of associates' profit/loss	-3	38	—	0	276	—	312
Reversal of impairment losses on Nordea shares	—	—	—	—	93	—	93
Profit for the reporting period before taxes	566	208	85	141	343	0	1,343
Taxes	-118	-45	-32	-27	-9	—	-231
Profit for the reporting period	448	163	52	115	333	0	1,112

Other comprehensive income for the reporting period

Items re-classifiable to profit or loss

Exchange differences	2	6	71	—	-2	—	77
Available-for-sale financial assets	129	—	-6	156	84	—	363
Share of other comprehensive income of associates	—	—	—	—	70	—	70
Taxes	-25	—	—	-32	-17	—	-74
Total items re-classifiable to profit or loss, net of tax	106	6	65	124	135	—	436

Items not re-classifiable to profit or loss

Actuarial gains and losses from defined pension plans	47	—	—	—	—	—	47
Taxes	-10	—	—	—	—	—	-10
Total items not re-classifiable to profit or loss, net of tax	37	—	—	—	—	—	37

TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD

	591	169	118	238	468	0	1,585
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Profit attributable to

Owners of the parent	1,001
Non-controlling interests	111

Total comprehensive income attributable to

Owners of the parent	1,475
Non-controlling interests	109

Consolidated balance sheet by segment at 30 June 2022

EURm	If	Top- danmark	Hastings	Mandatum	Holding	Elim.	Group
Assets							
Property, plant and equipment	185	117	23	27	4	—	356
Investment property	1	—	—	171	—	—	172
Intangible assets	602	1,241	1,555	172	1	—	3,572
Investments in associates	7	8	—	2	425	—	442
Financial assets	10,844	1,791	994	3,954	7,820	-6,309	19,095
Investments related to unit-linked insurance contracts	—	—	—	9,829	—	-8	9,821
Deferred tax assets	4	10	—	—	—	-4	10
Reinsurers' share of insurance liabilities	394	100	1,864	1	—	—	2,359
Other assets	2,243	192	749	280	72	-2	3,534
Cash and cash equivalents	565	5	266	734	2,494	—	4,064
Non-current assets held for sale	—	12,499	—	156	—	—	12,655
Total assets	14,846	15,963	5,451	15,327	10,816	-6,323	56,079
Liabilities							
Liabilities for insurance and investment contracts	9,403	2,002	2,852	3,105	—	—	17,362
Liabilities for unit-linked insurance and investment contracts	—	—	—	9,809	—	-8	9,801
Subordinated debt	232	255	—	350	1,488	-320	2,006
Other financial liabilities	5	82	372	22	1,847	—	2,328
Deferred tax liabilities	219	134	115	89	7	—	565
Provisions	7	—	—	—	—	—	7
Employee benefits	26	—	—	—	—	—	26
Other liabilities	1,113	112	583	264	91	-2	2,160
Liabilities related to non-current assets held for sale	—	11,646	—	156	—	—	11,802
Total liabilities	11,005	14,231	3,921	13,795	3,434	-330	46,056
Equity							
Share capital							98
Reserves							1,530
Retained earnings							7,968
Other components of equity							-71
Equity attributable to parent company's equity holders							9,525
Non-controlling interests							498
Total equity							10,023
Total equity and liabilities							56,079

Consolidated balance sheet by segment at 31 December 2021

EURm	If	Topdan- mark	Hastings	Mandatum	Holding	Elimination	Group
Assets							
Property, plant and equipment	196	121	26	28	4	—	375
Investment property	1	394	—	173	—	—	568
Intangible assets	629	1,387	1,606	171	1	—	3,794
Investments in associates	17	313	—	1	447	—	777
Financial assets	11,088	5,493	966	4,427	7,654	-6,308	23,321
Investments related to unit-linked insurance contracts	—	9,164	—	10,558	—	-11	19,711
Deferred tax assets	4	12	27	—	—	-4	39
Reinsurers' share of insurance liabilities	322	91	1,880	1	—	—	2,295
Other assets	1,873	258	639	157	55	-4	2,977
Cash and cash equivalents	521	153	159	954	3,031	—	4,819
Non-current assets held for sale	—	—	—	196	2,189	—	2,385
Total assets	14,651	17,385	5,305	16,668	13,380	-6,328	61,061
Liabilities							
Liabilities for insurance and investment contracts	9,034	5,311	2,787	3,236	—	—	20,369
Liabilities for unit-linked insurance and investment contracts	—	9,036	—	10,525	—	-11	19,550
Subordinated debt	243	255	—	349	1,487	-320	2,016
Other financial liabilities	8	83	329	29	1,881	—	2,330
Deferred tax liabilities	353	151	143	167	40	—	855
Provisions	9	—	—	—	—	—	9
Employee benefits	26	—	—	—	—	—	26
Other liabilities	1,018	452	447	237	96	-4	2,246
Non-current liabilities related to assets held for sale	—	—	—	196	—	—	196
Total liabilities	10,690	15,289	3,706	14,741	3,505	-335	47,597
Equity							
Share capital							98
Reserves							1,530
Retained earnings							9,952
Other components of equity							1,208
Equity attributable to parent company's equity holders							12,788
Non-controlling interests							676
Total equity							13,464
Total equity and liabilities							61,061

Other notes, EURm

1 Insurance premiums written

	1-6/2022	1-6/2021
P&C insurance	4,769	4,473
Life insurance		
Insurance contracts	893	897
Investment contracts	591	515
Insurance premiums written, gross	6,252	5,885
Reinsurers' share		
P&C insurance	-588	-582
Life insurance, insurance contracts	-8	-7
Reinsurers' share, total	-596	-589
Group insurance premiums written total, net	5,656	5,295

2 Net income from investments

	1-6/2022	1-6/2021
Financial asset		
Derivative financial instruments	-348	-295
Financial assets at fair value		
Debt securities	-253	-142
Equity securities	-75	-361
Financial assets at fair value, total	-327	-502
Loans and receivables	11	15
Financial assets available for sale		
Debt securities	148	148
Equity securities	142	233
Financial assets available for sale, total	290	381
Investments related to unit linked contracts		
Debt securities	-204	214
Equity securities	-1,277	1,711
Derivatives	-503	421
Loans and receivables	0	-5
Other financial assets	5	97
Investments related to unit linked contracts, total	-1,978	2,437
Financial asset, total	-2,353	2,036
Other		
Fees and commissions, net	-1	-8
Expenses from other than financial liabilities	-6	-7
Effect of discounting on P&C operations	128	48
Net income from investment property	17	17
Pension tax return	74	-125
Dividend income	157	—
Other, total	369	-75
Group investment income, total	-1,983	1,961

3 Other operating income

	1-6/2022	1-6/2021
Other income	253	146
Other technical income	67	60
Income related to broker-activities	56	54
Group other operating income, total	376	260

If's other operating income includes approximately EUR 66 million (60) income from insurance operations without a transfer of insurance risk. Such income is primarily attributable i.e. to sales commission and services for administration and claims settlement in insurance contracts on behalf of other parties. This operating income is accounted for under IFRS 15 *Revenue from Contracts with Customers*. In addition, other operating income includes income from roadside assistance services provided by If's subsidiary Viking Assistance Group AS, recognised when roadside assistance has been provided.

Hastings' operating income includes total of EUR 107 million (98) revenue recognised under IFRS 15 and consisting of fees and commission on panel providers, ancillary product income and other retail income. Income from broker activities amounts to EUR 56 million (54).

4 Claims incurred

	1-6/2022	1-6/2021
Claims paid		
P&C insurance	-2,457	-2,146
Life insurance		
Insurance contracts	-858	-919
Investment contracts	-328	-252
Claims paid, gross	-3,642	-3,317
Reinsurers' share		
P&C insurance	365	259
Life insurance, insurance contracts	0	1
Reinsurers's share, total	365	260
Claims paid total, net	-3,277	-3,057
Change in claims provision		
P&C insurance	41	-178
Life insurance, insurance contracts	86	-70
Change in claims provision, gross	126	-248
Reinsurers' share		
P&C insurance	11	139
Change in claims provision, net	138	-108
Group claims incurred, total	-3,139	-3,165

5 Staff costs

	1-6/2022	1-6/2021
Wages and salaries	-445	-420
Cash-settled share-based payments	-16	-20
Share-settled share-based payments	-5	-5
Pension costs	-61	-58
Other social security costs	-84	-79
Group staff costs, total	-612	-583

6 Intangible assets

	06/2022	12/2021
Goodwill	2,431	2,490
Customer relations	511	560
Trademark	230	278
Other intangible assets	400	467
Group intangible assets, total	3,572	3,794

7 Financial assets

	06/2022	12/2021
Derivative financial instruments	45	45
Financial assets at fair value through p/l		
Debt securities	1,653	4,494
Equity securities	145	686
Deposits	55	352
Other	1	1
Total	1,852	5,533
Loans and receivables	433	387
Financial assets available-for-sale		
Debt securities	13,204	12,901
Equity securities	3,560	4,464
Total	16,764	17,365
Group's financial assets, total	19,095	23,321

8 Derivative financial instruments

	06/2022			12/2021		
	Contract/ notional amount	Fair value Assets	Fair value Liabilities	Contract/ notional amount	Fair value Assets	Fair value Liabilities
Derivatives held for trading						
Interest rate derivatives	855	4	57	2,098	23	49
Foreign exchange derivatives	4,866	41	15	9,303	22	58
Equity derivatives	15	—	—	201	0	2
Derivatives held for trading, total	5,736	45	72	11,603	45	109
Derivatives held for hedging						
Fair value hedges	420	—	15	423	0	12
Cash flow hedges	4	0	—	9	—	0
Derivatives held for hedging, total	424	0	15	433	0	13
Group derivative financial instruments, total	6,160	45	88	12,035	45	121

9 Determination and hierarchy of fair values

A large majority of Sampo Group's financial assets are valued at fair value. The valuation is based on either published price quotations or valuation techniques based on market observable inputs, where available. For a limited amount of assets the value needs to be determined using other techniques. The financial instruments measured at fair value have been classified into three hierarchy levels in the notes, depending on e.g. if the market for the instrument is active, or if the inputs used in the valuation technique are observable.

The fair value of the derivative instruments is assessed using quoted market prices in active markets, discounting method or option pricing models.

The fair value of loans and other financial instruments which have no quoted price in active markets is based on discounted cash flows, using quoted market rates. The market's yield curve is adjusted by other components of the instrument, e.g. by credit risk.

Fair values are "clean" fair values, i.e. less interest accruals.

On level 1, the measurement of the instrument is based on quoted prices in active markets for identical assets or liabilities.

On level 2, inputs for the measurement of the instrument include also other than quoted prices observable for the asset or liability, either directly or indirectly by using valuation techniques.

In level 3, the measurement is based on other inputs rather than observable market data. The majority of Sampo Group's level 3 assets are private equity and alternative funds.

For private equity funds the valuation of the underlying investments is conducted by the fund manager who has all the relevant information required in the valuation process. The valuation is usually updated quarterly based on the value of the underlying assets and the amount of debt in the fund. There are several valuation methods, which can be based on, for example, the acquisition value of the investments, the value of publicly traded peer companies, the multiple based valuation or the cash flows of the underlying investments. Most private equity funds follow the International Private Equity and Venture Capital (IPEV) guidelines which give detailed instructions on the valuation of private equity funds.

For alternative funds the valuation is also conducted by the fund managers. Alternative funds often have complicated structures and the valuation is dependent on the nature of the underlying investments. There are many different valuation methods that can be used, for example, the method based on the cash flows of the underlying investments. The operations and valuation of alternative funds are regulated for example by the Alternative Investment Fund Managers Directive (AIFMD), which determines the principles and documentation requirements of the valuation process.

Financial assets at 30 June 2022	Carrying amount	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value</i>					
Derivative financial instruments					
Interest rate swaps	4	—	4	—	4
Foreign exchange derivatives	41	0	41	—	41
Total	45	0	45	—	45
Financial assets at fair value through profit or loss					
Equity securities	145	98	46	—	145
Debt securities	1,592	1,375	211	5	1,592
Total	1,736	1,474	257	5	1,736
Financial assets designated as at fair value through profit or loss					
Deposits	55	—	55	—	55
Debt securities (unit-trusts)	61	45	16	—	61
Total	116	45	72	—	116
Financial assets related to unit-linked insurance					
Equity securities	635	610	2	23	635
Debt securities	982	79	842	61	982
Funds	7,751	4,776	665	2,310	7,751
Other assets	454	—	454	—	454
Total	9,821	5,465	1,962	2,393	9,821
Financial assets available-for-sale					
Equity securities	1,646	1,292	2	352	1,646
Debt securities	13,204	7,593	5,412	199	13,204
Other assets	1,914	875	88	950	1,914
Total	16,764	9,760	5,502	1,502	16,764
Total financial assets at fair value	28,482	16,744	7,838	3,900	28,482
<i>Other financial assets</i>					
Financial assets at amortised cost					
Loans and receivables	433	—	—	433	433
Group's financial assets, total	28,916	16,744	7,838	4,334	28,916

Financial liabilities at 30 June 2022	Carrying amount	Level 1	Level 2	Level 3	Total
<i>Financial liabilities at fair value</i>					
Derivative financial instruments					
Interest derivatives	40	—	40	—	40
Foreign exchange derivatives	30	—	30	—	30
Other derivatives	17	—	17	—	17
Total	88	—	88	—	88
Total financial liabilities at fair value	88	—	88	—	88
<i>Other financial liabilities</i>					
Subordinated debt securities					
Subordinated loans	2,006	1,465	270	—	1,734
Debt securities in issue					
Bonds	2,135	1,641	419	—	2,059
Other					
Borrowings on Revolving Credit Facility	64	—	—	64	64
Amounts owed to credit institutions	41	41	—	—	41
Total other financial liabilities	4,246	3,147	688	64	3,899
Group financial liabilities, total	4,334	3,147	776	64	3,986

Financial assets at 31 December 2021	Carrying amount	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value</i>					
Derivative financial instruments					
Interest rate swaps	23	—	23	—	23
Foreign exchange derivatives	22	—	22	—	22
Total	45	—	45	—	45
Financial assets at fair value through profit or loss					
Equity securities	684	478	206	—	684
Debt securities	4,437	3,923	503	11	4,437
Investment funds	2	—	2	—	2
Total	5,123	4,401	711	11	5,123
Financial assets designated as at fair value through profit or loss					
Deposits	352	—	352	—	352
Debt securities (unit-trusts)	58	43	15	—	58
Total	411	43	368	—	411
Financial assets related to unit-linked insurance					
Equity securities	4,222	4,200	2	20	4,222
Debt securities	6,072	4,081	1,930	61	6,072
Funds	8,676	5,805	807	2,065	8,676
Derivative financial instruments	11	—	11	—	11
Other assets	915	—	474	441	915
Total	19,897	14,086	3,225	2,587	19,897
Financial assets available-for-sale					
Equity securities	2,439	2,043	2	394	2,439
Debt securities	12,901	7,032	5,696	173	12,901
Other assets	2,025	913	34	1,078	2,025
Total	17,365	9,987	5,732	1,645	17,365
Total financial assets at fair value	42,841	28,517	10,081	4,243	42,841
<i>Other financial assets</i>					
Financial assets at amortised cost					
Loans and receivables	387	—	—	387	387
Total	43,228	28,517	10,081	4,629	43,227
Assets held for sale in Mandatum	-196				
Group financial assets, total	43,031				

Financial liabilities at 31 December 2021	Carrying amount	Level 1	Level 2	Level 3	Total
<i>Financial liabilities at fair value</i>					
Derivative financial instruments					
Interest derivatives	13	—	13	—	13
Equity derivatives	2	—	2	—	2
Foreign exchange derivatives	71	8	63	—	71
Other derivatives	36	—	36	—	36
Total	121	8	114	—	121
Financial liabilities designated as at fair value through p/l					
Deposits	1	—	1	—	1
Total financial liabilities at fair value	123	8	115	—	123
<i>Other financial liabilities</i>					
Subordinated debt securities					
Subordinated loans	2,016	1,850	611	—	2,461
Debt securities in issue					
Bonds	2,195	1,868	466	—	2,334
Other					
Borrowings on Revolving Credit Facility	12	—	—	12	12
Total other financial liabilities	4,223	3,718	1,077	12	4,806
Group financial liabilities, total	4,345	3,726	1,192	12	4,929

Transfers between levels 1 and 2

	1-6/2022		1-12/2021	
	Transfers from level 2 to level 1	Transfers from level 1 to level 2	Transfers from level 2 to level 1	Transfers from level 1 to level 2
Transfers between levels 1 and 2				
Financial assets related to unit-linked insurance				
Debt securities	2	8	3	12
Financial assets available-for-sale				
Debt securities	396	637	595	349
Financial assets at fair value through profit or loss				
Debt securities	9	—	—	—

Transfers are based mainly on the changes of trading volume information provided by an external service provider.

Sensitivity analysis of fair values

The sensitivity of financial assets and liabilities to changes in exchange rates is assessed on business area level due to different base currencies. In If, a 10 percentage point depreciation of all other currencies against SEK would result in an increase recognised in profit/loss of EUR 36 million (34) and in a decrease recognised directly in equity of EUR -23 million (-24). In Topdanmark, a 10 percentage depreciation of all other currencies against DKK would result in a decrease recognised in profit/loss of EUR -1 million (-4), but would not have an impact on equity. In Mandatum, a 10 percentage point depreciation of all other currencies against EUR would result in an increase recognised in profit/loss of EUR 36 million (32) and in a decrease recognised directly in equity of EUR -44 million (-45). In Holding, a 10 percentage point depreciation of all other currencies against EUR would have no impact in profit/loss, but a decrease recognised in equity of EUR -56 million (-65). In Hastings, the changes in exchange rates would not have an impact either in p/l or equity.

The sensitivity analysis of the Group's fair values of financial assets and liabilities in different market risk scenarios is presented below. The effects represent the instantaneous effects of a one-off change in the underlying market variable on the fair values on 30 July 2022. The sensitivity analysis includes the effects of derivative positions. All sensitivities are calculated before taxes. The debt issued by Sampo plc is not included.

	Interest rate	Interest rate	Equity	Other financial assets
	1% parallel shift down	1% parallel shift up	20% fall in prices	20% fall in prices
Effect recognised in profit/loss	71	-63	-20	-32
Effect recognised directly in equity	113	-108	-286	-205
Total effect	184	-172	-306	-237

Sensitivity analysis of level 3 financial instruments measured at fair value

	1-6/2022		1-12/2021	
	Carrying amount	Effect of reasonably possible alternative assumptions (+ / -)	Carrying amount	Effect of reasonably possible alternative assumptions (+ / -)
Financial assets				
Financial assets available-for-sale				
Equity securities	355	-71	394	-79
Debt securities	199	-1	173	-2
Funds	948	-190	1,078	-216
Total	1,502	-262	1,645	-296

The value of financial assets regarding the debt security instruments has been tested by assuming a rise of 1 per cent in interest rate level in all maturities. For other financial assets, the prices were assumed to go down by 20 per cent. Sampo Group bears no investment risks related to unit-linked insurance, so a change in assumptions regarding these assets does not affect profit or loss. On the basis of these alternative assumptions, a possible change in interest levels would cause a descend of EUR -1 million (-2) for the debt instruments, and EUR -261 million (-294) valuation loss for other instruments in the Group's other comprehensive income. The reasonably possible effect, proportionate to the Group's equity, would thus be 2.7 per cent (2.3).

10 Movements in level 3 financial instruments measured at fair value

Financial assets	At 1 Jan	Total gains/losses in income statement	Total gains/losses recorded in other comprehensive income	Purchases	Sales	Transfers from level 1 and 2	Transfers to levels 1 and 2	At 30 Jun 2022	Gains/losses included in p/l for financial assets 30 Jun 2022
Financial assets held for trading									
Debt securities	11	—	—	—	-6	—	—	5	—
Financial assets related to unit-linked insurance contracts									
Equity securities	20	1	—	7	-5	—	—	23	1
Debt securities	61	-6	—	11	-1	—	-3	61	-6
Funds	2,065	131	—	291	-173	—	-5	2,310	127
Total	2,145	126	—	309	-179	—	-7	2,393	121
Financial assets available-for-sale									
Equity securities	394	—	-43	1	—	—	—	352	-43
Debt securities	173	2	—	17	-10	22	-4	199	5
Funds	1,078	23	-117	25	-59	—	—	950	-94
Total	1,645	25	-160	43	-69	22	-4	1,502	-131
Total financial assets measured at fair value	3,802	151	-160	352	-255	22	-12	3,900	-10

	1-6/2022		
	Realised gains and losses	Fair value gains and losses	Total
Total gains or losses included in profit or loss for the financial period	151	-160	-9
Total gains or losses included in profit and loss for assets held at the end of the financial period	150	-160	-10

Financial assets	At 1 Jan	Total gains/losses in income statement	Total gains/losses recorded in other comprehensive income	Purchases	Sales	Transfers from level 1 and 2	Transfers to levels 1 and 2	At 31 Dec 2021	Gains/losses included in p/l for financial assets 31 Dec 2021
Financial assets held for trading									
Debt securities	193	11	—	1	-37	—	-157	11	1
Financial assets related to unit-linked insurance contracts									
Equity securities	18	4	—	2	-4	—	—	20	3
Debt securities	804	29	—	169	-96	—	-846	61	1
Funds	1,297	478	—	636	-346	—	—	2,065	481
Total	2,119	511	—	806	-445	—	-846	2,145	485
Financial assets available-for-sale									
Equity securities	342	—	63	4	-9	—	-7	394	63
Debt securities	160	3	1	68	-58	—	—	173	4
Funds	951	18	228	95	-215	—	—	1,078	243
Total	1,453	20	292	167	-282	—	-7	1,645	310
Total financial assets measured at fair value	3,766	543	292	974	-764	—	-1,010	3,802	796

In 2021, EUR 1,004 million of the transfers relate to Topdanmark's structured credit products (CLOs) for which the market could be defined as active again, in accordance with IFRS 13, and which therefore have been transferred back to level 2 from level 3.

	1-12/2021		Total
	Realised gains and losses	Fair value gains and losses	
Total gains or losses included in profit or loss for the financial period	504	329	833
Total gains or losses included in profit and loss for assets held at the end of the financial period	503	292	796

11 Liabilities for insurance and investment contracts

	06/2022	12/2021
Insurance contracts		
Provision for unearned premiums		
P&C insurance, total	4,088	3,340
Life insurance		
Insurance contracts	1,391	1,460
Investment contracts	25	28
Provision for claims outstanding		
P&C insurance, total	10,169	10,781
Life insurance	1,688	1,759
Life insurance liabilities	—	3,012
Group's liabilities for insurance and investment contracts, total	17,362	20,369

Investment contracts do not include a provision for claims outstanding. Liability adequacy test does not give rise to supplementary claims.

Exemption allowed in IFRS 4 Insurance contracts has been applied to investment contracts with DPF or contracts with a right to trade-off for an investment contract with DPF. These investment contracts have been valued like insurance contracts.

12 Liabilities from unit-linked insurance and investment contracts

	06/2022	12/2021
Unit-linked insurance contracts	4,973	5,925
Unit-linked investment contracts	4,829	4,775
Life insurance liabilities	—	9,036
Total	9,801	19,737
Group liabilities from unit-linked insurance and investment contracts, total	9,801	19,550

13 Financial liabilities

	06/2022	12/2021
Subordinated debt securities		
Subordinated loans	2,006	2,016
Subordinated debt liabilities, total	2,006	2,016
Other financial liabilities		
Derivative financial instruments	88	121
Debt securities in issue		
Bonds	2,135	2,195
Other		
Borrowings on Revolving Credit Facility	64	12
Amounts owed to credit institutions	41	—
Group other financial liabilities, total	2,328	2,330
Group financial liabilities, total	4,334	4,345

Hastings has a revolving credit facility with a financial institution totalling EURm 87, of which at the end of reporting period EURm 23 was undrawn. The revolving credit facility is maturing on 23 November 2023, but the contract contains an extension option. In addition, Hastings has an undrawn credit facility with Sampo Plc totalling EURm 89 with maturity date 29 October 2026.

14 Contingent liabilities and commitments

	06/2022	12/2021
Off-balance sheet items		
Guarantees	10	2
Investment commitments	2,109	1,818
IT acquisitions	19	15
Other	2	48
Total	2,139	1,883

Assets pledged as collateral for liabilities or contingent liabilities

	06/2022	06/2022	12/2021	12/2021
Assets pledged as collateral	Assets pledged	Liabilities/ commitments	Assets pledged	Liabilities/ commitments
Investment securities	315	205	482	162
Subsidiary shares	93	29	94	30
Cash and cash equivalents	43	4	3	—
Total	450	238	579	192

EURm

	06/2022	12/2021
Assets pledged as security for derivative contracts, carrying value		
Investment securities	8	173
Cash and cash equivalents	80	186
Total	89	358

Assets pledged as security for insurance undertakings, carrying value

Investment securities	275	420
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Assets pledged as security for loans, carrying value

Shares in subsidiaries	93	94
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The pledged assets are included in the balance sheet item Financial assets, Other assets or Cash.

15 Non-current assets held for sale

Divestment of Topdanmark's Life business

On 18 March 2022, Topdanmark Forsikring A/S signed an agreement to divest of Topdanmark Liv Holding A/S and all its subsidiaries to Nordea Life Holding AB. The agreed purchase price is around EUR 270 million after a pre-completion dividend has been distributed to Topdanmark.

In accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*, Topdanmark has presented its life business as discontinued operations during reporting period. At the reporting period the share of discontinued operations in the income statement amounted to approximately EUR 16 million (27). The assets and liabilities have been classified as non-current assets held for sale and related liabilities.

Accounting treatment in Sampo Group

As Topdanmark's life business does not represent a major line of business or geographic area of operations for Sampo Group, the disposal is not classified as discontinued operations but instead the assets and liabilities of Topdanmark life business have been classified as non-current assets held for sale and liabilities related to non-current assets held for sale. These are separately shown in the balance sheet.

At the end of reporting period, the balance sheet total of Topdanmark's life business amounted to EUR 12 443 million (13 599) consisting mainly of financial assets and liabilities for insurance and investment contracts as well as those related to unit-link contracts.

Mandatum's life insurance business in the Baltics

Mandatum Life signed on 15 June 2021 an agreement to sell their Baltic life insurance business to Lithuanian Invalda INVL-Group. Upon closing of the transaction, Mandatum Life's all Baltic life insurance operations will be transferred to Invalda INVL-Group. The transaction was completed at the last day of June and the control is to be transferred 1 July 2022. For further information, please see note 16 *Subsequent events after the balance sheet date*.

The underwriting portfolio included in the agreement consists primarily of contracts in Life's unit-linked products segment. The effect of the with profit portfolio on Life's Other products and services segment's investment and expense result is minor.

16 Subsequent events after the balance sheet date

Share buy-back programme

Sampo's share buyback programme announced on 9 June 2022 continued after the end of the reporting period. By Friday 30 July 2022 market close, the company had bought in total 5,017,860 Sampo A shares representing 0.94 per cent of the total number of shares in Sampo plc. The progress of the buyback programme can be followed on www.sampo.com/releases.

Disposal of Mandatum's Baltic life business

On 30 June 2022, Mandatum completed the sale of its Baltic life insurance business and the control for the life business was transferred to Invalda INVL on 1 July 2022. The transaction was originally disclosed in June 2021.

SAMPO GROUP

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