

2020

**FINANCIAL STATEMENT
RELEASE**

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Sampo Group's results for 2020

Sampo Group's largest business area If had an extremely strong year 2020 in all respects. The combined ratio for the full-year 2020 was 82.1 per cent (84.5). This is the strongest combined ratio If has ever reported. Because of the impairment loss of EUR 899 million and the sales loss of EUR 262 million on Nordea shares, Group's reported profit before taxes for 2020 decreased to EUR 380 million (1,541). Without the extraordinary items relating to the Nordea holding, the profit before taxes would have been EUR 1,541 million for 2020 and EUR 1,696 million for 2019. The total comprehensive income for the period, taking changes in the market value of assets into account, amounted to EUR 434 million (1,565).

- The earnings per share were EUR 0.07 (2.04) and marked-to-market earnings per share were EUR 0.65 (2.63). The earnings per share excluding the Nordea-related extraordinary items were EUR 2.16 per share (2.31). In accordance with the dividend policy, this figure has been used as basis when calculating the dividend proposal. The return on equity for the Group amounted to 3.1 per cent (12.0) for 2020. The net asset value per share on 31 December 2020 was EUR 19.82 (20.71).
- Sampo plc's Board of Directors has today, after applying management judgement, decided to impair the book value of Nordea to EUR 7.50 per share from EUR 8.90 per share in Sampo Group's consolidated accounts at the end of December 2020.
- Sampo plc's Board of Directors has proposed to the Annual General Meeting to be held on 19 May 2021 a dividend of EUR 1.70 per share (1.50). The proposed dividend payment amounts in total to EUR 944 million (833).
- If segment's profit before taxes rose to EUR 901 million (884) and the insurance technical result improved to EUR 811 million (685). The return on equity remained at a high level at 33.3 per cent (34.5). Premiums grew in all business areas in the Nordics amounting to almost 5 per cent with fixed currencies. If paid a dividend of SEK 6.3 billion (approximately EUR 600 million) to Sampo plc in December 2020.
- Topdanmark segment's profit before taxes for 2020 was EUR 167 million (238). The combined ratio amounted to 85.2 per cent (82.1) in 2020. The expense ratio was 16.2 per cent (16.0).
- The Board of Directors of Topdanmark will recommend to the AGM on 25 March 2021 that in total a dividend of DKK 20 per share will be paid. If approved, Sampo plc's share of the dividend payment is EUR 113 million.
- Sampo holds 70 per cent of Hastings Group (Consolidated) Limited, which became Sampo plc's subsidiary and forms a separate segment in the Group's financial reporting as of 16 November 2020. The consolidated last six weeks of 2020 comprise a number of one-off expense items.
- Sampo's share of Nordea's net profit for 2020, excluding the accounting impacts of the sale of Nordea shares in November 2020 and the impairment of the holding in Sampo Group's consolidated accounts 2020, amounted to EUR 429 million (290). The reported loss after these measures was EUR -734 million (290). Nordea is progressing well towards meeting its 2022 financial targets.
- On 4 February, Nordea's Board proposed a dividend of EUR 0.39 per share for 2020. In addition, the Board will decide on 18 February to distribute EUR 0.07 per share as the first instalment of the delayed 2019 dividend of EUR 0.40 per share. The Board also proposes that the Annual General Meeting authorize it to pay out the remaining part of the 2019 dividend (EUR 0.33 per share) and the 2020 dividend (EUR 0.39 per share) – a total of EUR 0.72 per share – after September 2021, in line with the European Central Bank recommendation. Sampo plc's share of the proposed dividend payments is EUR 508 million.
- The profit before taxes for the segment Mandatum was EUR 154 million (280). The with-profit reserves continued to decrease as planned during 2020. The reserves related to the higher guarantees of 4.5 and 3.5 per cent decreased by EUR 268 million to EUR 1.9 billion at the end of 2020. Mandatum Life has supplemented the discount rate reserve and the rate used for 2021 - 2023 is 0.25 per cent. This had a negative impact of EUR 77 million on the result. The return on equity amounted to 14.4 per cent (23.5). Mandatum Life's Board proposes a dividend of EUR 200 million to Sampo plc in February 2021.

Key figures

EURm	2020	2019	Change, %	10-12/2020	10-12/2019	Change, %
Profit before taxes *)	380	1,541	-75	-675	468	-
If	901	884	2	285	228	25
Topdanmark	167	238	-30	82	58	41
Hastings	-16	-	-	-16	-	-
Associates *)	-722	298	-	-1,030	143	-
Mandatum	154	280	-45	54	68	-20
Holding (excl. Associates)	-103	-4	-	-50	-29	69
Profit for the period	112	1,237	-91	-769	389	-
			Change			Change
Earnings per share, EUR	0.07	2.04	-1.97	-1.44	0.66	-2.10
EPS (without eo. items) EUR	2.16	2.31	-0.15	-	-	-
EPS (based on OCI) EUR	0.65	2.63	-1.88	-0.47	1.19	-1.63
NAV per share, EUR	19.82	20.71	-0.89	-	-	-
Average number of staff (FTE)	13,227	9,813	3,414	-	-	-
Group solvency ratio, %	176	174	2	-	-	-
RoE, %	3.1	12.0	-8.9	-	-	-

*) the reported loss related to the sale of Nordea shares in November 2020 and the impairment of Nordea holding made in the consolidated Group accounts 2020, together EUR 1,161 million is included in the 2020 figure. The comparison figure includes a valuation loss of EUR 155 million related to Nordea shares.

The figures in this report have not been audited.

Exchange rates used in reporting

	1-12/2020	1-9/2020	1-6/2020	1-3/2020	1-12/2019	1-9/2019
EURSEK						
Income statement (average)	10.4882	10.5622	10.6621	10.6649	10.5853	10.5679
Balance sheet (at end of period)	10.0343	10.5713	10.4948	11.0613	10.4468	10.6958
DKKSEK						
Income statement (average)	1.4066	1.4157	1.4280	1.4279	1.4183	1.4158
Balance sheet (at end of period)	1.3485	1.4197	1.4813	1.4813	1.3982	1.4326
NOKSEK						
Income statement (average)	0.9778	0.9857	0.9932	1.0195	1.0749	1.0816
Balance sheet (at end of period)	0.9584	0.9523	0.9618	0.9610	1.0591	1.0809
EURDKK						
Income statement (average)	7.4544	7.4581	7.4648	7.4714	7.4661	7.4644
Balance sheet (at end of period)	7.4409	7.4462	7.4526	7.4674	7.4715	7.4662
EURGBP						
Income statement (average)	0.8892					
Balance sheet (at end of period)	0.8990					

Group CEO's comment

Despite the challenging backdrop, 2020 has been a successful year for Sampo Group. I am particularly pleased with the strong performance delivered by our P&C operations. If P&C has been the standout performer, with a record-low combined ratio of 82.1 per cent and premium growth of 5 per cent driving a 17 per cent year-on-year increase in the technical result. Operational momentum was also strong, as retention stood at 90 per cent and the number of If Private customers grew for the third consecutive year to over 3 million. This demonstrates the strength of our increasingly digital business, which has benefitted from customers using online channels during the COVID-19 pandemic.

Strategically, Sampo's focus in 2020 has been on laying the foundation for future growth in underwriting profits. We have continued to invest heavily in the digitalisation of our Nordic P&C operations to ensure that these continue to be the best choice for customers, while the acquisition of Hastings Group provides a new avenue for long term growth. As a lean, digital insurer, I see Hastings not only as a long-term winner in the UK personal lines P&C insurance market but also believe it can add value to our Nordic operations. I expect the acquisition will deliver significant value after a period of focussed operational work, just as If has done.

The sale of Nordea shares in November 2020, which reduced Sampo's stake by 4 percentage points to 15.87 per cent, represented another important step in Sampo's strategy to focus more on P&C insurance. Reported losses related to the sale and a Q4 impairment in the book value of the residual stake had a negative impact of EUR 1.2 billion on group net income. As these accounting items do not affect our dividend capacity, we have excluded them from our DPS calculation.

Nonetheless, regulatory and macroeconomic uncertainty have continued to weigh on the market value of Nordea, despite a notable improvement in operational performance. The turnaround in business volumes and increased cost efficiency delivered by Nordea in 2020 illustrated robust operational momentum, while its strong balance sheet supports attractive capital returns once regulatory restrictions are lifted. Sampo continues to see upside in Nordea's 2022 plans but the group will, over time, explore options to reduce its exposure to banking.

Sampo navigated its investment portfolio well through the volatility experienced in 2020, delivering a return of 3.5 per cent. The recovery in financial markets in the second half of the year supported returns but has left an investment environment in which it is difficult to deploy money at attractive returns, further emphasising the need to invest in our underwriting capabilities

Looking ahead, the strong positioning and performance of Sampo Group's P&C operations over 2020 gives me confidence in our strategy and our ability to deliver value for our shareholders. We expect P&C underwriting results to remain robust and continue to work toward a more focussed group structure.

Sampo aims to deliver attractive and sustainable dividends to shareholders. The introduction of a new dividend policy to pay out at least 70 per cent of earnings (excluding extraordinary items) in February 2020 represented an important step in achieving this objective. The Sampo Board has proposed a 2020 DPS of EUR 1.70 (2019: 1.50), representing 79 per cent of the group's EPS excluding Nordea-related reported losses of EUR 2.16. Aside from a small expected contribution from Nordea, this dividend is funded entirely by our insurance operations.

I look forward to presenting our strategy and financial plans in more detail at the upcoming Capital Markets Day on 24 February 2021.

Torbjörn Magnusson

Group CEO and President

Fourth quarter 2020 in brief

Sampo Group's profit before taxes for the fourth quarter of 2020, excluding the reported loss related to Nordea, amounted to EUR 486 million. The reported result for the quarter was EUR -675 million (468). The earnings per share was EUR -1.44 (0.66) and the mark-to-market earnings per share EUR -0.47 (-0.22). The net asset value per share increased EUR 1.19 during the fourth quarter of 2020 and amounted to EUR 19.82.

If's combined ratio for the fourth quarter of 2020 was 81.3 per cent (85.0). The profit before taxes amounted to EUR 285 million (228). The technical profit was EUR 216 million (165).

Topdanmark's combined ratio for the fourth quarter was 83.7 per cent (87.1) and the profit before taxes EUR 82 million (58).

Sampo only consolidated Hastings for 6 weeks and reported a loss before taxes of EUR 16 million. The loss consists of one-off items related to the closing of the transaction, e.g. stamp duties of EUR 9 million.

Sampo's share of Nordea's fourth quarter 2020 net profit was EUR 128 million. The loss on sale of Nordea shares in November 2020 and the impairment at the end of 2020 resulted in a loss of EUR 1,033 million (143).

The profit before taxes for Mandatum amounted to EUR 54 million (68). The discount rate used for 2021 - 2023 was lowered 0.25 per cent, which had a negative impact of EUR 77 million on the result.

Effects of COVID-19 on Sampo Group

During the COVID-19 pandemic, priority in Sampo Group has been given to maintaining service level and to supporting customers in the best possible way in the changed working conditions. Despite the challenging situation, all the subsidiaries have been able to offer normal service level and customer satisfaction has remained at a high level, in Mandatum Life the customer satisfaction even reached a new record high.

There have been no COVID-19 related lay-offs among Sampo Group personnel and none of the group companies has required any government funding support during the COVID-19 pandemic.

If

Claims cost for 2020 was negatively impacted from travel insurance policies primarily following imposed travel restrictions from governments due to COVID-19. At the end of the reporting period, the total number of reported claims amounted to approximately 50,000 claims corresponding to a gross claims cost of EUR 35 million, mostly in BA Private and Norway. For this event, If had a reinsurance cover with a net retention of approximately EUR 10 million.

Government restrictions and in general low activity level had a positive effect on claims frequency, affecting especially motor insurance. The effect of COVID-19 on If's risk ratio is approximately 4 percentage points positive in the fourth quarter and approximately 3 percentage points for the full year. Going forward repair costs might increase due to a lack of material, delays in transportation of material or shortage of personnel following implemented government travel restrictions.

During the fourth quarter premium volume was slightly impacted by the COVID-19 situation, primarily by travel insurance in Private business and with continued negative impact related to decommissioning of vehicles and lower sums insured in the Commercial segment, but as a whole the effects were not very significant. There is still some uncertainty with regard to possible lagging effects to premiums through, for example, lower insurable sums and lower turnover in the corporate segments.

Topdanmark

Topdanmark has reported on the impacts of the COVID-19 pandemic in its announcement of 2020 annual results published on 22 January 2021. The report is available at <https://www.topdanmark.com>.

Hastings

Overall, motor claims frequencies reduced during the year, reflecting reduced motor vehicle usage following national and local restrictions resulting from COVID-19. Claim severities increased due to interruptions in the repair networks and supply of parts caused by COVID-19 and increased car rental costs, with repairs typically taking longer than anticipated.

Hastings does not provide insurance for any business lines which have been negatively impacted by COVID-19, such as travel or business interruption.

Mandatum Life

The unusual situation caused Mandatum Life to change its focus from new sales to existing customers for several months starting from spring 2020 and this, together with the uncertain capital market situation, was reflected in the premium income in 2020 as premiums did not quite meet the record level of the comparison year.

The volatility of claims costs did not differ from the normal level. All in all, looking at the entire year of 2020, the COVID-19 related impacts on the company's business remained small.

Investment activities

In the fourth quarter, particularly in November and December, good news about the COVID-19 vaccines and continued central bank stimulus sparked strong increases in equity values. While equity portfolios brought the best investment returns, fixed income investments also generated a solid return in the fourth quarter, which gave Sampo a good opportunity to cautiously repatriate investment profits. Looking at the Group's total investment result reported for 2020, a significant portion of the very good returns came during the last few months of the year.

Solvency positions

The solvency positions of Sampo Group and its subsidiaries were strong at the end of 2020. More information is available in the section Solvency.

Business areas

If

If is the leading property and casualty insurance company in the Nordic region, with insurance operations that also encompass the Baltic countries. The P&C insurance group's parent company, If P&C Insurance Holding Ltd, is located in Sweden, and the If subsidiaries and branches provide insurance solutions and services in Finland, Sweden, Norway, Denmark and the Baltic countries. If's operations are divided into four business areas: Private, Commercial, Industrial and Baltic.

Results

EURm	2020	2019	Change, %	10-12/2020	10-12/2019	Change, %
Premiums, net	4,589	4,475	3	969	945	3
Net income from investments	126	229	-45	76	71	7
Other operating income	103	33	208	26	7	274
Claims incurred	-2,720	-2,751	-1	-658	-691	-5
Change in insurance liabilities	-105	-87	20	173	163	6
Staff costs	-576	-558	3	-146	-143	2
Other operating expenses	-498	-443	12	-152	-120	26
Finance costs	-18	-16	11	-4	-4	6
Share of associates' profit/loss	0	1	-	1	1	150
Profit before taxes	901	884	2	285	228	25

Key figures

			Change			Change
Combined ratio, %	82.1	84.5	-2.4	81.3	85.0	-3.7
Risk ratio, %	60.7	62.7	-2.0	57.6	62.4	-4.8
Cost ratio, %	21.5	21.8	-0.3	23.8	22.6	1.2
Expense ratio, %	15.8	16.1	-0.3	17.4	16.5	0.9
Return on equity, %	33.3	34.5	-1.2	-	-	-
Average number of staff (FTE)	7,182	6,865	317	-	-	-

The profit before taxes for 2020 for the If segment amounted to EUR 901 million (884). The total comprehensive income for the period after tax was EUR 866 million (836).

The combined ratio for 2020 improved to 82.1 percent (84.5) and the risk ratio to 60.7 per cent (62.7). The cost ratio was 21.5 per cent (21.8). The effect of COVID-19 on the combined ratio was approximately 3 percentage points positive in January-December 2020 and 4 percentage points in the fourth quarter.

In 2020 EUR 186 million (190) was released from the technical reserves relating to prior year claims. The return on equity was 33.3 per cent (33.4) and the fair value reserve on 31 December 2020 amounted to EUR 557 million (457).

The technical result amounted to EUR 811 million (685) and the insurance margin (technical result in relation to net premiums earned) was 18.2 per cent (15.9).

	Combined ratio,%			Risk ratio,%		
	2020	2019	Change	2020	2019	Change
Private	76.0	82.0	-6.0	54.2	60.3	-6.1
Commercial	85.8	88.3	-2.5	64.2	65.9	-1.7
Industrial	109.0	89.3	19.7	91.0	69.8	21.2
Baltic	86.6	87.0	-0.4	58.4	58.4	0
Sweden	72.3	76.5	-4.2	52.6	57.3	-4.7
Norway	86.6	88.4	-1.8	65.6	66.7	-1.3
Finland	88.0	87.4	0.6	66.2	64.7	1.5
Denmark	92.3	94.1	-1.8	64.9	66.0	-1.1

	Combined ratio,%			Risk ratio,%		
	10-12/2020	10-12/2019	Change	10-12/2020	10-12/2019	Change
Private	76.3	83.0	-6.7	51.5	60.1	-8.6
Commercial	90.1	88.8	1.3	67.1	66.8	0.3
Industrial	89.9	87.7	2.2	70.4	66.5	3.9
Baltic	85.7	84.6	1.1	56.3	54.8	1.5
Sweden	71.0	74.4	-3.4	48.9	53.9	-5.0
Norway	90.9	86.0	4.9	67.7	64.0	3.7
Finland	78.7	93.2	-14.5	55.2	70.5	-15.3
Denmark	96.9	102.7	-5.8	65.5	72.2	-6.7

Large claims were EUR 88 million worse than expected in 2020. In BA Commercial, they were EUR 3 million worse and in BA Industrial EUR 85 million worse than expected. The claims related to the landslide in Gjerdrum, Norway, at the end of December 2020 amounted to EUR 18 million.

The Swedish discount rate for the annuity reserves was -0.72 per cent (-0.77) at the end of 2020 and had a positive effect of EUR 5 million on the full-year results. The discount rate used in Finland, was lowered to 0.75 per cent in the third quarter and had a negative impact of EUR 51 million.

Gross written premiums amounted to EUR 4,823 million (4,675) in 2020. Excluding the currency effects, premiums grew 4.7 per cent (5.7) in January – December 2020. Premiums grew in all markets and business areas.

Within business areas, the growth was highest in BA Industrial, at 10.4 per cent, followed by BA Commercial at 4.2 per cent. In BA Private, the growth was 3.7 per cent. Geographically, premiums grew 10.6 per cent in Denmark, 5.0 per cent in Norway, 4.4 per cent in Sweden and 2.5 per cent in Finland.

Customer retention continued to be high and stable across all business areas. The number of customers increased in all countries.

If's solvency position is described in the section Solvency.

Topdanmark

Topdanmark is Denmark's second largest non-life insurance company and it is also one of the country's major life insurance companies. Topdanmark has a 16 per cent market share in non-life insurance and a 11 per cent market share in life insurance in Denmark. Topdanmark focuses on the private, agricultural, and SME markets. The company is listed on the Nasdaq Copenhagen.

Results

EURm	2020	2019	Change, %	10-12/2020	10-12/2019	Change, %
Premiums, net	2,709	2,677	1	570	608	-6
Net income from investments	677	1,037	-35	686	191	260
Other operating income	2	3	-27	1	1	21
Claims incurred	-1,592	-1,223	30	-414	-316	31
Change in insurance liabilities	-1,201	-1,864	-36	-644	-321	101
Staff costs	-293	-272	8	-74	-69	8
Other operating expenses	-134	-131	2	-50	-46	8
Finance costs	-14	-10	32	-3	-3	4
Share of associates' profit/loss	12	22	-44	11	13	-17
Profit before taxes	167	238	-30	82	58	41

Key figures

			Change			Change
Combined ratio, %	85.2	82.1	3.1	83.7	87.1	-3.4
Loss ratio, %	69.0	66.2	2.8	66.9	70.3	-3.4
Expense ratio, %	16.2	16.0	0.2	16.8	16.8	0
Average number of staff (FTE)	2,428	2,364	64			

At the end of 2020 Sampo plc held 41,997,070 Topdanmark shares, corresponding to 46.7 per cent of all shares and 48.0 per cent of related voting rights in the company. The market value of the holding was EUR 1,491 million on 31 December 2020.

The Board of Directors of Topdanmark will recommend to the AGM on 25 March 2021 that a dividend of DKK 1,035 million will be distributed for 2020, representing DKK 11.5 per share. In addition, the Board of Directors will recommend to the AGM that the remaining dividend of DKK 8.5 per share (DKK 765 million) for 2019 will be distributed as an extraordinary dividend. Given the AGM approval, the total dividend distributed in connection with the AGM will be DKK 1,800 million or DKK 20 per share.

Topdanmark's profit before taxes for 2020 amounted in Sampo Group's profit and loss account to EUR 167 million (238). The combined ratio amounted to 85.2 per cent (82.1) in 2020. The expense ratio was 16.2 per cent (16.0). The increase in the expense ratio is impacted by high sales through new distribution partner Nordea, and COVID-19 related expenses.

Further information on Topdanmark A/S and its January-December 2020 result is available at www.topdanmark.com.

Hastings

Sampo plc owns 70 per cent of the shares of Hastings and the Group started to consolidate the UK insurance group as a subsidiary as of 16 November 2020. In Sampo Group's consolidated accounts Hastings is reported as a separate segment. Hastings profit and loss items are recognized line-by-line in the Group's consolidated financial statements.

During the next seven and half years the annual amortization of intangibles will amount to approximately EUR 40 million, i.e. EUR 10 million per quarter. The short period consolidated in 2020 also contains items which are not recurring.

Hastings' agility and digital capability has enabled operations to continue with minimal interruption despite the unprecedented disruption to UK society and the economy as a result of COVID-19. Progress continues on its strategic initiatives, delivering profitable growth, with the total number of customer policies growing 8 per cent to 3.1 million. The growth in customer policies has been supported by continued strong retention rates throughout 2020. Home insurance customer policies also continue to grow, up 28 per cent to 0.3 million.

The full year 2020 loss ratio reduced compared to 2019 due to a reduction of claims frequencies resulting from the lockdown restrictions, partially offset by inflation in the cost of claims. The reserving position as at 31 December 2020 reflects the increased claims uncertainties caused by the pandemic.

Hastings continues to build on its digital capabilities, resulting in more customers choosing to make contact through the Mobile App. This has had over 1.2 million downloads to date and customer engagement and feedback on the App continues to be positive. Hastings' claims transformation initiatives continue to develop and progress, with initiatives spanning accidental damage, third party property damage and bodily injury.

Nordea

Nordea is a leading Nordic universal bank. Nordea shares are listed on the Nasdaq exchanges in Stockholm, Helsinki, and Copenhagen. In the context of Sampo Group's financial reporting, Nordea is treated as an associated company and it is included in the segment entitled 'Holding'.

On 31 December 2020 Sampo plc held 642,924,782 Nordea shares corresponding to a holding of 15.87 per cent. Sampo's holding decreased 4 percentage points after Sampo successfully sold 162 million Nordea shares in an accelerated book-build offering to institutional investors on 10 November 2020.

The average purchase price per share amounted to EUR 6.46. Nordea's book value in the Group accounts is, after the impairment, EUR 7.50 per share. As disclosed on 11 February 2021, the book value was impaired from EUR 8.90 per share by a decision by Sampo's Board based on management judgement. Nordea's closing price as at 31 December 2020 was EUR 6.67.

Sampo's share of Nordea's 2020 profit before taxes, excluding the accounting impacts of the sale of Nordea shares in 10 November 2020 and the impairment of the holding in Sampo Group's consolidated accounts 2020, amounted to EUR 429 million (290).

On 4 February, Nordea's Board proposed a dividend of EUR 0.39 per share for 2020. In addition, the Board will decide on 18 February to distribute EUR 0.07 per share as the first instalment of the delayed 2019 dividend of EUR 0.40 per share. The Board also proposes that the Annual General Meeting authorise it to pay out the remaining part of the 2019 dividend (EUR 0.33 per share) and the 2020 dividend (EUR 0.39 per share) – a total of EUR 0.72 per share – after September 2021, in line with the European Central Bank recommendation.

Further information on Nordea's full-year results 2020 is available at www.nordea.com.

Mandatum Life

Mandatum Life Group comprises Mandatum Life Insurance Company Ltd., a wholly-owned subsidiary of Sampo plc, operating in Finland, Estonia, Latvia and Lithuania, and its subsidiaries. The parent company, Mandatum Life, is responsible for sales functions and all the functions required by the Insurance Companies Act. The operating subsidiaries are Mandatum Life Services Ltd, Mandatum Life Investment Services Ltd. and Mandatum Life Fund Management S.A.

Results

EURm	2020	2019	Change, %	10-12/2020	10-12/2019	Change, %
Premiums written	1,051	1,596	-34	381	772	-51
Net income from investments	587	1,267	-54	590	307	92
Other operating income	26	23	12	12	8	44
Claims incurred	-1,089	-1,492	-27	-233	-644	-64
Change in liabilities contracts	-272	-971	-72	-649	-335	94
Staff costs	-53	-52	2	-14	-13	1
Other operating expenses	-82	-81	1	-30	-22	36
Finance costs	-12	-9	35	-3	-4	-16
Profit before taxes	154	280	-45	54	68	-20

Key figures

			Change			Change
Expense ratio, %)	82.5	83.8	-1.3	-	-	-
Return on equity, %,	14.4	23.5	-9.1	-	-	-
Average number of staff (FTE)	576	563	13	-	-	-

The profit before taxes for Mandatum Life in 2020 amounted to EUR 154 million (280). The total comprehensive income for the period after tax reflecting the changes in market value of assets, was EUR 213 million (308). The return on equity amounted to 14.4 per cent (23.5).

The expense result increased to EUR 27 million (24). The risk result increased to EUR 38 million (35).

Premium income on own account was EUR 1,051 million (1,596), of which unit-linked premiums were EUR 960 million (1,476). In 2019 both premium income and claims paid included around EUR 400 million one-off items caused by changes in the tax treatment of life insurance products.

The net investment income, excluding income on unit-linked contracts amounted to EUR 189 million (358). The net income from unit-linked contracts was EUR 397 million (908). During 2020 the fair value reserve increased to EUR 534 million (438).

The total technical reserves of Mandatum Life Group increased to EUR 12.3 billion (12.0). The unit-linked reserves increased to highest ever EUR 8.8 billion (8.1) at the end of 2020. The unit-linked reserves corresponded to 72 per cent (67) of total technical reserves.

The with-profit reserves decreased as planned during 2020 and amounted to EUR 3.5 billion (3.9) on 31 December 2020. The with-profit reserves related to the higher guarantees of 4.5 and 3.5 per cent decreased by EUR 268 million to EUR 1.9 billion at the end of 2020.

Mandatum Life has overall supplemented its technical reserves with a total of EUR 218 million (230). The figure does not take into account the reserves relating to the segregated fund. The discount rate used for 2021 - 2023 is 0.25 per cent. The new discount rates for years 2022 and 2023 had a negative impact of EUR 77 million on the result.

The discount rate of segregated liabilities is 0.0 per cent and the discount rate reserve of segregated liabilities amounted to EUR 232 million (263).

Mandatum Life's solvency position is described in the section Solvency.

Holding

Sampo plc owns and controls its subsidiaries engaged in P&C and life insurance. In addition, Sampo plc held on 31 December 2020 approximately 15.9 per cent of the share capital of Nordea, the largest bank in the Nordic countries. Nordea is an associated company to Sampo plc. As of March 2018 Sampo plc has also treated Nordax Holding AB (formerly NDX Intressenter AB), of which Sampo plc owns 36.25 per cent, as an associate.

Results

EURm	2020	2019	Change, %	10-12/2020	10-12/2019	Change, %
Net investment income	4	-2	-	11	4	215
Other operating income	17	16	2	4	4	4
Staff costs	-17	-15	12	-5	-5	6
Other operating expenses	-28	-13	118	-14	4	260
Finance costs	-79	10	-	-46	-28	63
Share of associates' profit	439	298	47	131	143	-8
Valuation/Sales loss associate shares	-262	-155	-	-262	-	-
Impairment loss on Nordea shares	-899	-	-	-899	-	-
Profit before taxes	-826	139	-	-1,080	113	-
Key figures			Change			Change
Average number of staff (FTE)	67	63	4	-	-	-

Holding segment's profit before taxes for January - December 2020 decreased to EUR -826 million (139), including two Nordea-related one-off items of EUR 1,161 million. The comparison period includes a EUR -155 million valuation loss incurred in connection with distribution of Nordea shares as dividends to Sampo shareholders in the third quarter of 2019.

After the impairment, Sampo plc's holding in Nordea was booked in the consolidated balance sheet on 31 December 2020 at EUR 4.8 billion, i.e. EUR 7.50 per share. The market value of the holding was EUR 4.3 billion, i.e. EUR 6.67 per share, on 31 December 2020.

Including the impairment loss and the sales loss on Nordea shares, Sampo's share of profits of associated companies Nordea and Nordax Holding for January - December 2020 amounted to EUR -722 million. The one-off items excluded, the share of the profits of the associates was EUR 439 million (298), of which Nordea's share was EUR 427 million (290) and Nordax's share was EUR 12 million (8).

Other developments

Disposal of Nordea shares

On 10 November 2020, Sampo sold 162 million Nordea shares, 4.0 per cent of the outstanding shares, in an accelerated bookbuild offering to institutional investors. The transaction price was EUR 7.25 per share, resulting in gross proceeds of EUR 1,174 million.

After the transaction, Sampo held 642,924,782 Nordea shares, corresponding to 15.9 per cent of all shares and voting rights in Nordea.

Sampo incurred a reported loss of EUR 262 million from the transaction for the last quarter of 2020. Nordea's status as an associated company of Sampo remained unchanged.

In connection with the offering, Sampo entered into a lock-up undertaking, under which it has, subject to certain exceptions, agreed not to sell any Nordea shares for a period ending at 9 May 2021.

Hastings acquisition

The offer on Hastings was being implemented by way of a court-sanctioned scheme of arrangement under English law, which was approved by the requisite majorities at the Hastings shareholder meetings on 29 September 2020. All of the conditions relating to regulatory and antitrust approvals were satisfied by 27 October 2020 and the scheme was effective following completion of the Court Hearing procedure held on 13 November 2020.

The jointly-owned company of Sampo and RMI, currently known as Hastings Group (Consolidated) Limited, became Sampo plc's subsidiary and formed a separate segment in the Group's financial reporting as of 16 November 2020. Hastings's profit and loss items were recognized line-by-line in the Group's consolidated financial statements.

Changes in Group Management

After the end of the reporting year on 20 January 2021 Ivar Martinsen left his position as Head of BA Commercial and the membership of Sampo Group Executive Committee.

Personnel

The average number of Sampo Group's employees (FTE) in 2020 amounted to 13,227 (9,813).

If is Sampo Group's largest business area and employed on average 54 per cent of the personnel. Topdanmark employed 18 per cent, Hastings employed 22 and Mandatum Life approximately 4 per cent of the personnel. The parent company Sampo plc employed 0.5 per cent of the work force. Hastings is included in the personnel calculations as of 1 November 2020.

In geographical terms Denmark had 23 per cent of the personnel, United Kingdom 22 per cent, Finland 17 per cent, Sweden 17 per cent and Norway 12 per cent. The share of other countries was 8 per cent.

Remuneration

In 2020, a total of EUR 50 million (41), including social costs, was paid as short-term incentives. During the same period, a total of EUR 6 million (18), including social costs, was paid from long-term incentive schemes. The results impact of the long-term incentive schemes in force in 2020 was EUR 2 million (12).

Shareholders

During 2020 Sampo plc received altogether 9 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. (tax ID 32-0174421) and its funds directly or through financial instruments had decreased below 5 per cent or increased above 5 per cent.

After the end of the reporting period Sampo plc had received 4 notifications of change in holding pursuant to Chapter 9, Section 5 of the Securities Markets Act, from BlackRock, Inc.

The details of the notifications are available at www.sampo.com/flaggings.

Internal dividends

Mandatum Life's Board proposes a dividend of EUR 200 million to Sampo plc in February 2021.

Following the Danish FSA's recommendation, Topdanmark's Board of Directors decided on 23 March 2020 to postpone paying out half of the planned dividend for 2019 until the AGM on 25 March 2021. On 22 January 2021 Topdanmark's Board of Directors recommended to the AGM that a dividend of DKK 1,035 million will be distributed for 2020, representing DKK 11.5 per share. The Board of Directors also recommended to the AGM that the remaining dividend for 2019 of DKK 765 million will be distributed as an extraordinary dividend. Given the AGM approval, the total dividend distributed in connection with the AGM will be DKK 1,800 million or DKK 20 per share. If the AGM approves the proposals, Sampo plc's share of the dividends amounts to EUR 113 million.

On 4 February, Nordea's Board proposed a dividend of EUR 0.39 per share for 2020. In addition, the Board will decide on 18 February to distribute EUR 0.07 per share as the first instalment of the delayed 2019 dividend of EUR 0.40 per share. The Board also proposes that the Annual General Meeting authorize it to pay out the remaining part of the 2019 dividend (EUR 0.33 per share) and the 2020 dividend (EUR 0.39 per share) – a total of EUR 0.72 per share – after September 2021, in line with the European Central Bank recommendation. Sampo plc's share of the proposed dividends is EUR 508 million.

If normally pays its dividend towards the end of the calendar year.

Ratings

Relevant ratings for Sampo Group companies on 31 December 2020 are presented in the table below.

Rated company	Moody's		Standard & Poor's	
	Rating	Outlook	Rating	Outlook
Sampo plc - Issuer Credit Rating	A3	Stable	A	Stable
If P&C Insurance Ltd - Insurance Financial Strength Rating	A1	Stable	A+	Stable
If P&C Insurance Holding Ltd (publ) - Issuer Credit Rating	-	-	A	Stable
Mandatum Life Insurance Company Ltd - Issuer Credit Rating	-	-	A+	Stable

In addition, Hastings Group (Finance) plc has an outstanding senior bond of GBP 250 million for which Fitch has an Issuer Default Rating (IDR) of A- and a stable outlook.

Solvency

Group solvency

Sampo Group calculates its group solvency under the Solvency II rules. In this calculation Nordea is treated as an equity investment. According to the Solvency II directive, Sampo Group's solvency ratio amounted to 176 per cent (174) at the end of December 2020.

Solvency position in the subsidiaries

The insurance subsidiaries apply Solvency II rules in their regulatory solvency calculations. If Group companies use either partial internal models or standard model for calculation of their solo solvency position. Mandatum Life reports in accordance with standard formula for Solvency II. Topdanmark uses a partial internal model to report its stand-alone solvency position.

Hastings is fully consolidated into the Sampo Group's Own funds and SCR. As a stand-alone entity AICL, Hastings underwriting company, calculates its solo solvency position according to Solvency II rules.

If Group has an A+ rating from S&P which will continue to require significantly more capital than the standard formula and therefore the use of standard formula has no practical implications on If Group's capital position. On 31 December 2020 If Group's Solvency II capital requirement under standard formula amounted to EUR 1,916 million (1,890) and own funds to EUR 3,623 million (3,592). The solvency ratio amounted to 189 per cent (196).

The S&P A+ rating capital requirement for If Group amounted to EUR 3,083 million (3,083) on 31 December 2020 and the capital base was EUR 3,234 million (3,151).

Topdanmark calculates most of its non-life and health risks and their respective solvency capital requirement by applying a partial internal model approved by the DFSA. Other risks are calculated by the Solvency II SCR standard formula. Topdanmark's solvency ratio under the partial internal model was 170 per cent (177) at the end of December 2020.

Mandatum Life's solvency ratio after transitional measures amounted to 188 per cent (194) on 31 December 2020. Own funds were EUR 2,308 million (2,290) and the Solvency Capital Requirement (SCR) was EUR 1,230 million (1,182). Without transitional measures, own funds would have amounted to EUR 1,977 million (1,929) and the solvency capital requirement would have amounted to EUR 1,245 million (1,212), leading to a solvency ratio of 159 per cent (159).

Debt financing

Sampo plc's debt financing on 31 December 2020 amounted to EUR 3,934 million (3,908) and interest bearing assets to EUR 1,529 million (1,725). Interest bearing assets include bank accounts, fixed income instruments and EUR 324 million (359) of hybrid capital and subordinated debt instruments issued by the subsidiaries and associated companies.

At the end of 2020 the interest bearing net debt of Sampo plc amounted to EUR 2,405 million (2,183). The net debt calculation takes into account interest bearing assets and liabilities. Gross debt to Sampo plc's equity was 53 per cent (51) and financial leverage 34 per cent (34).

On 28 May 2020 Sampo plc repaid SEK 3,000 million senior notes maturing on that date.

On 3 September 2020 Sampo plc issued 32-nc-12 Tier 2 notes of EUR 1,000 million maturing on 3 September 2032.

On 1 December Sampo plc redeemed EUR 655 million outstanding senior notes maturing on 18 September 2023, 16 September 2021, 23 May 2022 and 30 May 2025 in a cash tender offer.

On 31 December 2020 financial liabilities in Sampo plc's balance sheet consisted of issued senior bonds and notes of EUR 2,448 million (3,414). In addition, Sampo plc has issued subordinated notes of EUR 1,486 million (494). The amount of subordinated notes increased due to the financing of the acquisition of Hastings. No CPs were outstanding (0). The average interest, net of interest rate swaps, on Sampo plc's debt as of 31 December 2020 was 1.6 per cent (1.2).

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

Outlook

Outlook for 2021

Sampo Group's insurance businesses are expected to report good insurance technical results for 2021, although the mark-to-market component of investment returns will be significantly influenced by capital markets' developments, particularly in life insurance.

If P&C is expected to reach a combined ratio of below 85 per cent in 2021.

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

Hastings remains well positioned and expects to further improve its loss ratio and overall results, despite some market uncertainty from COVID-19, regulatory reform and Brexit.

Nordea continues to focus on creating great customer experiences, growing income and improving operational efficiency. The results are progressing well towards 2022 targets.

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 separately managed major business units.

Major risks affecting the Group companies' profitability and its variation are market, credit, insurance and operational risks that are quantified independently by the major business units. 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. Currently, the COVID-19 pandemic and the measures taken to contain the virus are causing significant negative effects on economies and uncertainties on 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 technological developments in areas such as artificial intelligence and digitalization, demographic changes, and sustainability issues that may also have profound effects on companies within the financial sector.

Dividend proposal

The parent company's distributable capital and reserves totaled EUR 7,250,153,463.79 of which profit for the financial year 2020 was EUR 699,633,592.61.

The Board proposes to the Annual General Meeting a dividend of EUR 1.70 per share to the company's 555,351,850 shares. The dividends to be paid are EUR 944,098,145.00 in total. The remainder of the funds are left in the equity.

The dividend will be paid to the shareholders registered in the Register of Shareholders held by Euroclear Finland Ltd as the record date of 21 May 2021. The Board proposes that the dividend be paid on 28 May 2021.

No significant changes have taken place in the company's financial position since the end of the financial year. The impairment of Nordea shares had no impact on Sampo plc's distributable capital and reserves. The company's liquidity position is good and in the view of the Board, the proposed distribution does not jeopardize the company's ability to fulfill its obligations.

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 89421852#.

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 Supplementary Financial Information Package is available at www.sampo.com/result.

Sampo will publish the Interim Statement for January - March 2021 on 5 May 2021.

Distribution:

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www.sampo.com

Group financial review >

Financial highlights		1-12/2020	1-12/2019
GROUP			
Profit before taxes	EURm	380	1,541
Return on equity (at fair value)	%	3.1	12.0
Return on assets (at fair value)	%	2.3	5.5
Equity/assets ratio	%	20.2	23.0
Group solvency ¹⁾	EURm	4,308	4,513
Group solvency ratio ¹⁾	%	176	174
Average number of staff		13,227	9,813
IF			
Premiums written before reinsurers' share	EURm	4,823	4,675
Premiums earned	EURm	4,484	4,388
Profit before taxes	EURm	901	884
Return on equity (at current value)	%	33.3	34.5
Risk ratio ²⁾	%	60.7	62.7
Cost ratio ²⁾	%	21.5	21.8
Claims ratio ²⁾	%	66.4	68.4
Expense ratio ²⁾	%	15.8	16.1
Combined ratio ²⁾	%	82.1	84.5
Average number of staff		7,182	6,865
TOPDANMARK			
Premiums written before reinsurers' share, life insurance	EURm	1,473	1,487
Premiums written before reinsurers' share, P&C insurance	EURm	1,315	1,272
Premiums earned, P&C insurance	EURm	1,227	1,178
Profit before taxes	EURm	167	238
Claims ratio ²⁾	%	69.0	66.2
Expense ratio ²⁾	%	16.2	16.0
Combined ratio	%	85.2	82.1
Average number of staff		2,428	2,322
		16 Nov-31 Dec 2020	
HASTINGS			
Premiums written before reinsurers' share	EURm	27	-
Premiums earned	EURm	63	-
Profit before taxes	EURm	-16	-
Average number of staff		2,974	-

> Group financial review

MANDATUM		1-12/2020	1-12/2019
Premiums written before reinsurers' share	EURm	1,059	1,603
Profit before taxes	EURm	154	280
Return on equity (at current value)	%	14.4	23.5
Expense ratio	%	96.1	98.7
Average number of staff		576	563
HOLDING			
Profit before taxes	EURm	-826	139
Average number of staff		67	63
PER SHARE KEY FIGURES			
Earnings per share	EUR	0.07	2.04
Earnings per share without extraordinary items related to associate Nordea ³⁾	EUR	2.16	2.31
Earnings per share, incl. other comprehensive income	EUR	0.65	2.63
Equity per share	EUR	20.56	21.44
Net asset value per share	EUR	19.82	20.71
Adjusted share price, high	EUR	42.46	43.38
Adjusted share price, low	EUR	21.34	34.45
Market capitalisation	EURm	19,199	21,609

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. The result analysis of If is presented in note 17.

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 and as the average number during the financial period was 555,351,850.

The valuation differences on investment property have been taken into account in calculating the return on assets, return on equity, equity/assets ratio and net asset value per share. The tax component includes the tax corresponding to the result for the period, and the deferred tax liability related to valuation differences on investment property.

The total comprehensive income has been used in the calculation of the return on assets and return on equity.

The key figures for the insurance business have been calculated in accordance with the decree issued by the Ministry of Finance and the specifying regulations and instructions of the Finance Supervisory Authority.

Calculation of key figures

Return on equity (fair values), %

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

Return on assets (at fair values), %

$$\frac{\begin{aligned} &+ \text{ operating profit} \\ &\pm \text{ other comprehensive income before taxes} \\ &+ \text{ interest and other financial expense} \\ &+ \text{ calculated interest on technical provisions} \\ &\pm \text{ change in valuation differences on investments} \end{aligned}}{\begin{aligned} &+ \text{ balance sheet, total} \\ &- \text{ technical provisions relating to unit-linked insurance} \\ &\pm \text{ valuation differences on investments} \\ &\quad (\text{average of values on 1 Jan. and the end of the reporting period}) \end{aligned}} \times 100 \%$$

Equity/assets ratio (at fair values), %

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

Risk ratio for P&C insurance, %

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

Cost ratio for P&C insurance, %

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

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, %

Loss ratio + expense ratio

Expense ratio for life insurance, %

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

Per share key figures

Earnings per share

profit for the financial period attributable to the parent company's equity holders

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 associates in the Group
± valuation differences after the deduction of deferred taxes

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

Group quarterly comprehensive income statement

EURm	10-12/2020	7-9/2020	4-6/2020	1-3/2020	10-12/2019
Insurance premiums written	1,947	1,674	1,903	2,852	2,325
Net income from investments	1,363	662	1,402	-2,044	568
Other operating income	56	41	29	29	18
Claims incurred	-1,348	-1,348	-1,331	-1,416	-1,652
Change in liabilities for insurance and investment contracts	-1,097	-274	-1,219	1,036	-491
Staff costs	-260	-231	-237	-231	-230
Other operating expenses	-262	-185	-170	-136	-190
Finance costs	-54	-23	-19	-16	-36
Share of associates' profit/loss	143	170	50	88	157
- Valuation loss on disposal of Nordea shares	-262	-	-	-	-
- Impairment loss on Nordea shares	-899	-	-	-	-
Profit for the period before taxes	-675	485	407	162	468
Taxes	-94	-73	-77	-23	-78
Profit for the period	-769	412	330	139	389
Other comprehensive income for the period					
Items reclassifiable to profit or loss					
Exchange differences on translating foreign operations	132	-23	121	-156	79
Available-for-sale financial assets	338	331	685	-1,095	240
Share of other comprehensive income of associates	109	-3	0	-66	44
Taxes	-67	-70	-149	236	-51
Total items reclassifiable to profit or loss, net of tax	511	234	657	-1,080	312
Items not reclassifiable to profit or loss					
Actuarial gains and losses from defined pension plans	35	-19	0	-16	-19
Taxes	-8	4	0	4	4
Total items not reclassifiable to profit or loss, net of tax	27	-15	0	-13	-15
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-231	632	987	-954	686
Profit attributable to					
Owners of the parent	-802	391	307	142	363
Non-controlling interests	33	21	23	-3	26
Total comprehensive income attributable to					
Owners of the parent	-264	610	964	-951	660
Non-controlling interests	34	21	23	-3	26

Statement of profit and other comprehensive income, IFRS

EURm	Note	1-12/2020	1-12/2019
Insurance premiums written	1	8,375	8,749
Net income from investments	2	1,383	2,515
Other operating income		155	60
Claims incurred	3	-5,443	-5,466
Change in liabilities for insurance and investment contracts		-1,554	-2,919
Staff costs	4	-960	-897
Other operating expenses		-754	-653
Finance costs		-112	-13
Share of associates' profit/loss		451	321
- Valuation loss on disposal of Nordea shares	6	-262	-155
- Impairment loss on Nordea shares	6	-899	
Profit before taxes		380	1,541
Taxes		-267	-304
Profit for the period		112	1,237
Other comprehensive income for the period			
Items reclassifiable to profit or loss			
Exchange differences		74	-39
Available-for-sale financial assets		259	566
Share of other comprehensive income of associates		40	-30
Taxes		-50	-123
Total items reclassifiable to profit or loss, net of tax		322	373
Items not reclassifiable to profit or loss			
Actuarial gains and losses from defined pension plans		0	-58
Taxes		0	13
Total items not reclassifiable to profit or loss, net of tax		0	-45
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		434	1,565
Profit attributable to			
Owners of the parent		37	1,130
Non-controlling interests		75	107
Total comprehensive income attributable to			
Owners of the parent		359	1,458
Non-controlling interests		75	107
Basic earnings per share (EUR)		0,07	2,04

Consolidated balance sheet, IFRS

EURm	Note	12/2020	12/2019
Assets			
Property, plant and equipment		371	302
Investment property		666	679
Intangible assets	5	3,761	2,151
Investments in associates	6	5,370	7,217
Financial assets	7, 8, 9, 10,11	24,420	23,443
Investments related to unit-linked insurance contracts	12	14,837	12,975
Tax assets		49	19
Reinsurers' share of insurance liabilities		1,821	289
Other assets		2,714	2,185
Cash and cash equivalents		2,520	2,677
Total assets		56,529	51,939
Liabilities			
Liabilities for insurance and investment contracts	13	19,956	18,041
Liabilities for unit-linked insurance and investment contracts	14	16,285	14,368
Subordinated debt		2,158	1,202
Other financial liabilities	15	2,935	3,592
Tax liabilities		717	587
Provisions		20	20
Employee benefits		98	99
Other liabilities		2,102	1,489
Total liabilities		44,271	39,396
Equity			
Share capital		98	98
Reserves		1,530	1,530
Retained earnings		9,282	10,062
Other components of equity		508	217
Equity attributable to parent company's equity holders		11,418	11,908
Non-controlling interests		840	635
Total equity		12,258	12,542
Total equity and liabilities		56,529	51,939

Statement of changes in equity, IFRS

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 2019	98	4	1,527	10,944	-780	594	12,386	628	13,014
Changes in equity									
Dividend distribution				-1,583			-1,583	-90	-1,672
Extra dividend distribution in Nordea shares				-319			-319		-319
Share-based payments				1			1		1
Share of associate's other changes in equity				-43			-43		-43
Other changes in equity				8			8	-10	-2
Profit for the period				1,130			1,130	107	1,237
Other comprehensive income for the period				-75	-37	440	328		328
Equity at 31 December 2019	98	4	1,527	10,062	-817	1,034	11,908	635	12,542
Changes in equity									
Business acquisitions				-5		6	1	188	189
Dividend distribution				-833			-833	-52	-885
Share-based payments				-3			-3		-3
Share of associate's other changes in equity				-19			-19		-19
Other changes in equity				6			6	-6	0
Profit for the period				37			37	75	112
Other comprehensive income for the period				37	67	217	322	0	322
Equity at 30 December 2020	98	4	1,527	9,282	-749	1,257	11,418	840	12,258

1) IAS 19 *Pension benefits* had a net effect of EURm 2 (-12) on retained earnings.

2) The total comprehensive income includes also the share of the associate Nordea's other comprehensive income, in accordance with the Group's share holding. The retained earnings thus include EURm 38 (-30) of Nordea's items not reclassifiable to profit or loss. The exchange differences include the share of Nordea's exchange differences EURm -6 (3). Respectively, available-for-sale financial assets include EURm -3 (8) of Nordea's valuation differences on assets at fair value through p/l. Nordea adopted the new IFRS 9 Financial instruments standard from 1 January 2018 on.

3) The amount recognised in equity from available-for-sale financial assets for the period totalled EURm 262 (781). The amount transferred to p/l amounted to EURm -49 (-255). EURm 1 (-21) was transferred to the Segregated Suomi portfolio. EURm 6 from business acquisitions has been recognised directly in the opening balance of the fair value reserve.

The amount included in the translation, available-for-sale, cash flow hedge reserves and defined benefit plans represent other comprehensive income for each component, net of tax.

Statement of cash flows, IFRS

EURm	1-12/2020	1-12/2019
Cash and cash equivalent at the beginning of the period	2,677	2,361
Cash flow from/used in operating activities	772	1,525
Cash flow from/used in investing activities	-88	530
Cash flow from/used in financing activities	-841	-1,739
Dividends paid	-833	-1,588
Increase of liabilities	1,191	496
Decrease of liabilities	-1,199	-647
Cash and cash equivalent at the end of the period	2,520	2,677

The cash flow statement reports cash flows during the period classified by operating, investing and financing activities. Cash flows from operating activities derive primarily from the principal revenue-producing activities. Cash flows from investments in subsidiaries and associated undertakings and those from investments in intangible assets and property, plant and equipment are presented in investing activities. Financing activities include cash flows resulting from changes in equity and borrowings in order to conduct the business. Cash and cash equivalents consist of cash at bank and in hand and short-term deposits (under 3 months).

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 2019.

The applied standards and interpretations are described in Sampos accounting policies for the financial year 2019. The financial statements are available on Sampo's website www.sampo.com/year2019.

Comprehensive income statement by segment for twelve months ended 31 December 2020

EURm	If	Top-danmark	Hastings 16 Nov- 31 Dec	Mandatum	Holding	Elimi- nation	Group
Insurance premium written	4,589	2,709	27	1,051	-	0	8,375
Net income from investments	126	677	1	587	4	-12	1,383
Other operating income	103	2	39	26	17	-31	155
Claims incurred	-2,720	-1,592	-53	-1,089	-	12	-5,443
Change in liabilities for insurance and investment contracts	-105	-1,201	36	-272	-	-12	-1,554
Staff costs	-576	-293	-22	-53	-17	-	-960
Other operating expenses	-498	-134	-43	-82	-28	31	-754
Finance costs	-18	-14	-1	-12	-79	12	-112
Share of associates' profit/loss	0	12	-	0	439	-	451
- Valuation loss on disposal Nordea shares	-	-	-	-	-262	-	-262
- Impairment loss on Nordea shares	-	-	-	-	-899	-	-899
Profit before taxes	901	167	-16	154	-826	0	380
Taxes	-195	-38	3	-37	0	-	-267
Profit for the period	706	129	-13	117	-826	0	112
Other comprehensive income for the period							
Items reclassifiable to profit or loss							
Exchange differences	59	5	-1	-	10	-	74
Available-for-sale financial assets	124	-	2	120	13	-	259
Share of other comprehensive income of associates	-	-	-	-	40	-	40
Taxes	-23	-	-	-24	-3	-	-50
Total items reclassifiable to profit or loss, net of tax	160	5	1	96	60	-	322
Items not reclassifiable to profit or loss							
Actuarial gains and losses from defined pension plans	0	-	-	-	-	-	0
Taxes	0	-	-	-	-	-	0
Total items not reclassifiable to profit or loss, net of tax	0	-	-	-	-	-	0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	866	134	-13	213	-766	-	434
Profit attributable to							
Owners of the parent							37
Non-controlling interests							75
Total comprehensive income attributable to							
Owners of the parent							359
Non-controlling interests							75

Comprehensive income statement by segment for twelve months ended 31 December 2019

EURm	If	Top- danmark	Mandatum	Holding	Elimination	Group
Insurance premium written	4,475	2,677	1,596	-	-	8,749
Net income from investments	229	1037	1,267	-2	-15	2,515
Other operating income	33	3	23	16	-15	60
Claims incurred	-2,751	-1,223	-1,492	-	-	-5,466
Change in liabilities for insurance and investment contracts	-87	-1,864	-971	-	3	-2,919
Staff costs	-558	-272	-52	-15	-	-897
Other operating expenses	-443	-131	-81	-13	15	-653
Finance costs	-16	-10	-9	10	12	-13
Share of associates' profit/loss	1	22	0	298	-	321
Valuation loss on dividend distribution of associate shares	-	-	-	-155	-	-155
Profit before taxes	884	238	280	139	0	1,541
Taxes	-192	-53	-58	-1	-	-304
Profit for the period	692	185	222	138	0	1,237
Other comprehensive income for the period						
Items reclassifiable to profit or loss						
Exchange differences	-33	-2	-	-4	-	-39
Available-for-sale financial assets	285	-	114	147	20	566
Share of other comprehensive income of associates	-	-	-	-30	-	-30
Taxes	-63	-	-27	-29	-4	-123
Total items reclassifiable to profit or loss, net of tax	189	-2	87	83	16	373
Items not reclassifiable to profit or loss						
Actuarial gains and losses from defined pension plans	-58	-	-	-	-	-58
Taxes	13	-	-	-	-	13
Total items not reclassifiable to profit or loss, net of tax	-45	-	-	-	-	-45
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	836	183	308	222	16	1,565
Profit attributable to						
Owners of the parent						1,130
Non-controlling interests						107
Total comprehensive income attributable to						
Owners of the parent						1,458
Non-controlling interests						107

Consolidated balance sheet by segment at 31 December 2020

EURm	If	Top- danmark	Hastings	Mandatum	Holding	Elimination	Group
Assets							
Property, plant and equipment	183	127	25	30	6	-	371
Investment property	2	529	-	135	-	-	666
Intangible assets	654	1,420	1,526	160	1	-	3,761
Investments in associates	22	234	-	1	5,113	-	5,370
Financial assets	10,786	7,113	778	4,839	6,290	-5,387	24,420
Investments related to unit-linked insurance contracts	-	6,047	-	8,805	-	-16	14,837
Tax assets	22	4	27	-	-	-4	49
Reinsurers' share of insurance liabilities	283	73	1,464	1	-	-	1,821
Other assets	1,833	275	467	107	60	-28	2,714
Cash and cash equivalents	405	114	198	682	1,120	-	2,520
Total assets	14,189	15,937	4,485	14,760	12,591	-5,434	56,529
Liabilities							
Liabilities for insurance and investment contracts	8,833	5,339	2,263	3,521	-	-	19,956
Liabilities for unit-linked insurance and investment contracts	-	7,536	-	8,765	-	-16	16,285
Subordinated debt	408	235	-	349	1,486	-320	2,158
Other financial liabilities	44	136	299	3	2,452	-	2,935
Tax liabilities	281	161	118	139	17	-	717
Provisions	20	-	-	-	-	-	20
Employee benefits	98	-	-	-	-	-	98
Other liabilities	1,002	465	326	247	90	-28	2,102
Total liabilities	10,685	13,872	3,007	13,024	4,045	-364	44,271
Equity							
Share capital							98
Reserves							1,530
Retained earnings							9,282
Other components of equity							508
Equity attributable to parent company's equity holders							11,418
Non-controlling interests							840
Total equity							12,258
Total equity and liabilities							56,529

Consolidated balance sheet by segment at 31 December 2019

EURm	If	Topdanmark	Mandatum	Holding	Elimination	Group
Assets						
Property, plant and equipment	153	127	14	8	-	302
Investment property	2	540	138	-	-	679
Intangible assets	544	1,443	162	2	-	2,151
Investments in associates	14	223	1	6,979	-	7,217
Financial assets	10,726	6,916	4,671	5,168	-4,039	23,443
Investments related to unit-linked insurance contracts	-	4,832	8,170	-	-27	12,975
Tax assets	19	3	-	0	-4	19
Reinsurers' share of insurance liabilities	210	78	1	-	-	289
Other assets	1,759	239	137	58	-9	2,185
Cash and cash equivalents	331	74	952	1,321	-	2,677
Total assets	13,759	14,476	14,247	13,535	-4,079	51,939
Liabilities						
Liabilities for insurance and investment contracts	8,778	5,337	3,926	-	-	18,041
Liabilities for unit-linked insurance and investment contracts	-	6,278	8,117	-	-27	14,368
Subordinated debt	396	234	349	494	-271	1,202
Other financial liabilities	25	100	15	3,452	-	3,592
Tax liabilities	281	171	121	15	-	587
Provisions	20	-	-	-	-	20
Employee benefits	99	-	-	-	-	99
Other liabilities	908	320	197	73	-9	1,489
Total liabilities	10,506	12,440	12,724	4,034	-308	39,396
Equity						
Share capital						98
Reserves						1,530
Retained earnings						10,062
Other components of equity						217
Equity attributable to parent company's equity holders						11,908
Non-controlling interests						635
Total equity						12,542
Total equity and liabilities						51,939

Other notes, EURm

1 Insurance premiums

	1-12/2020	1-12/2019
P&C insurance	6,242	5,947
Life insurance		
Insurance contracts	1,815	2,060
Investment contracts	716	1,030
Insurance premiums, gross	8,773	9,037
Reinsurers' share		
P&C insurance	-390	-281
Life insurance, insurance contracts	-8	-7
Reinsurers's share, total	-398	-288
Group insurance premiums total, net	8,375	8,749

2 Net income from investments >

If	1-12/2020	1-12/2019
Financial assets		
Derivative financial instruments	-7	-15
Loans and receivables	10	9
Financial asset available-for-sale		
Debt securities	72	173
Equity securities	95	113
Total	167	286
Total financial assets	170	279
Fee and commission expense	-17	-18
Expense on other than financial liabilities	-4	-3
Effect of discounting annuities	-22	-29
If, total	126	229

Topdanmark	1-12/2020	1-12/2019
Financial assets		
Derivative financial instruments	139	44
Financial assets for trading		
Debt securities	56	75
Equity securities	20	169
Total	76	244
Investments related to unit-linked contracts		
Debt securities	-15	47
Equity securities	248	714
Derivatives	325	114
Other financial assets	22	55
Total	580	929
Loans and receivables	-8	3
Total financial assets	786	1,221
Net income from investment property	31	48
Pension tax return	-83	-147
Effect of discounting, insurance liabilities	-50	-82
Other expenses related to investments	-7	-3
Topdanmark, total	677	1,037

> 2 Net income from investments >

Hastings	16 Nov-31 Dec 2020	1-12/2019
Financial assets		
Financial assets at fair value thru p/l		
Debt securities	0	-
Financial asset available-for-sale		
Debt securities	1	-
Hastings, total	1	-

Mandatum	1-12/2020	1-12/2019
Financial assets		
Derivative financial instruments	26	-63
Investments related to unit-linked contracts		
Debt securities	16	90
Equity securities	366	811
Loans and receivables	-2	0
Other financial assets	18	8
Total	397	908
Loans and receivables	-2	4
Financial assets available-for-sale		
Debt securities	75	85
Equity securities	81	325
Total	156	410
Total income from financial assets	577	1,259
Other assets	0	2
Fee and commission income, net	9	6
Mandatum, total	587	1,267

> 2 Net income from investments

Holding	1-12/2020	1-12/2019
Financial assets		
Derivative financial instruments	3	-32
Loans and receivables	-1	-15
Financial assets available-for-sale		
Debt securities	9	35
Equity securities	-7	9
Total	2	44
Total income from financial assets	4	-3
Other assets	0	1
Holding, total	4	-2
Elimination items between segments	-12	-15
Group investment income, total	1,383	2,515

3 Claims incurred

	1-12/2020	1-12/2019
Claims paid		
P&C insurance	-3,743	-3,831
Life insurance		
Insurance contracts	-1,479	-1,543
Investment contracts	-487	-607
Claims paid, gross	-5,709	-5,982
Reinsurers' share		
P&C insurance	625	146
Life insurance, insurance contracts	2	1
Reinsurers's share, total	627	147
Claims paid total, net	-5,082	-5,835
Change in claims provision		
P&C insurance	-9	280
Life insurance, insurance contracts	29	104
Change in claims provision, gross	20	384
Reinsurers' share		
P&C insurance	-382	-16
Life insurance, insurance contracts	0	0
Reinsurers's share, total	-381	-16
Change in claims provision, net	-361	369
Group claims incurred, total	-5,443	-5,466

4 Staff costs

	1-12/2020	1-12/2019
Wages and salaries	-715	-645
Granted cash-settled share options	-3	-5
Granted share-settled share options	-9	-18
Pension costs	-102	-100
Other social security costs	-136	-128
Group staff costs, total	-966	-897

5 Intangible assets

	12/2020	12/2019
Goodwill	2,419	1,471
Customer relations	642	437
Other intangible assets	694	244
Group intangible assets, total	3,756	2,151

6 Investments in associates

On 11 November 2020, Sampo sold 162 million Nordea shares. The transaction price was EUR 7.25 per share, resulting in gross proceeds of EUR 1,174 million. The book value as of the end of Q3 was EUR 8.62, giving thus a difference between the gross proceeds and a reduction in book value of EUR -222 million. In addition, recycling of previously recognised other comprehensive income items, related to the disposed Nordea shares, amounted to EUR -40 million. A loss of EURm -262 million was consequently recognized in the consolidated income statement, while the impact on total comprehensive income and shareholders' equity was EUR -222 million. After the transaction, Sampo holds 642,924,782 Nordea shares, corresponding to 15.87 per cent of all shares and voting rights in Nordea.

On 31 December 2020, Nordea's book value per share, after consolidating Nordea's fourth quarter, amounted to EUR 8.90 exceeding its market value of EUR 6.67. Sampo performed an impairment test in accordance with IAS 36 *Impairment of Assets* where the recoverable amount for Nordea was compared with its carrying amount in the Group. The recoverable amount was defined by using a discounted cash flow model. Based on the value in use test, the recoverable amount was EUR 7.50 per share. As a result, an impairment loss of EUR -899 million was recognised in the income statement, bringing the carrying amount per share to EUR 7.50 at 31 December 2020. The total carrying amount of Nordea in Sampo Group at 31 December 2020 was EUR 4,822 million. Negative developments in assumptions used in impairment testing may lead to further impairment needs.

7 Financial assets

	12/2020	12/2019
Derivative financial instruments (Note 8)	255	82
Financial assets at fair value through p/l		
Debt securities	5,667	5,840
Equity securities	639	682
Total	6,306	6,522
Loans and receivables	829	548
Financial assets available-for-sale		
Debt securities	12,905	12,016
Equity securities	4,125	4,275
Total	17,030	16,291
Group financial assets, total	24,420	23,443

8 Derivative financial instruments

	12/2020			12/2019		
	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	2,340	115	91	3,714	53	112
Foreign exchange derivatives	13,391	127	93	7,217	26	57
Equity derivatives	91	0	-	73	0	-
Derivatives held for trading, total	15,823	243	184	11,004	79	168
Derivatives held for hedging						
Fair value hedges	345	12	-	364	3	-
Cash flow hedged	1	0	-	-	-	-
Derivatives held for hedging, total	346	13	-	-	-	-
Group derivative financial instruments, total	16,168	255	184	11,369	82	168

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.

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 cashflows 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 cashflows 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 31 December 2020	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value</i>				
Derivative financial instruments				
Interest rate swaps	-	115	-	115
Foreign exchange derivatives	-	140	-	140
Total	-	255	-	255
Trading assets				
Equity securities	445	193	-	638
Debt securities	5,126	348	193	5,667
Total	5,571	541	193	6,306
Financial assets designated as at fair value through p/l				
Deposits	-	671	-	671
Financial assets related to unit-linked insurance				
Equity securities	3,342	3	18	3,363
Debt securities	2,162	851	804	3,817
Funds	5,087	722	1,297	7,106
Derivative financial instruments	-	17	-	17
Other assets	-	-	181	181
Total	10,592	1,592	2,300	14,484
Financial assets available-for-sale				
Equity securities	1,944	-	342	2,286
Debt securities	8,842	3,904	160	12,905
Other assets	855	34	951	1,840
Total	11,640	3,937	1,453	17,031
Total financial assets at fair value	27,802	6,997	3,947	38,747

> 9 Determination and hierarchy of fair values >

Other financial assets

Financial assets at amortised cost				
Loans and receivables	-	412	99	510
Group financial assets, total	27,802	7,409	4,046	39,257

Financial liabilities at 31 December 2020	Level 1	Level 2	Level 3	Total
<i>Financial liabilities at fair value</i>				
Derivative financial instruments				
Interest derivatives	-	91	-	91
Foreign exchange derivatives	-	93	-	93
Total	-	184	-	184
Financial liabilities designated as at fair value through p/l				
Deposits	-	-	4	4
Total financial liabilities at fair value	-	184	4	188

Other financial liabilities

Subordinated debt securities				
Subordinated loans	1,909	427	-	2,336
Debt securities in issue				
Bonds	2,762	214	-	2,976
Total other liabilities	4,672	641	-	5,500
Group financial liabilities, total	4,672	825	4	5,688

> 9 Determination and hierarchy of fair values >

Financial assets at 31 December 2019	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value</i>				
Derivative financial instruments				
Interest rate swaps	-	53	-	53
Foreign exchange derivatives	-	0	-	0
Equity derivatives	-	29	-	29
Total	-	82	-	82
Assets held for trading				
Equity securities	483	199	-	682
Debt securities	5,298	497	44	5,840
Total	5,781	696	44	6,522
Financial assets designated at fair value through profit or loss				
Deposits	-	367	-	367
Financial assets related to unit-linked insurance				
Equity securities	3,416	3	18	3,437
Debt securities	918	1,667	26	2,611
Funds	4,686	691	1,000	6,377
Derivative financial instruments	-	17	-	17
Other assets	-	-	120	120
Total	9,019	2,377	1,165	12,561
Financial assets available-for-sale				
Equity securities	2,066	-	379	2,446
Debt securities	8,483	3,472	61	12,016
Other assets	903	48	879	1,830
Total	11,452	3,520	1,318	16,291
Total financial assets at fair value	26,253	7,043	2,528	35,824
<i>Other financial assets</i>				
Financial assets at amortised cost				
Loans and receivables	-	414	180	595
Group financial assets, total	26,253	7,458	2,708	36,418

> 9 Determination and hierarchy of fair values >

Financial liabilities at 31 December 2019	Level 1	Level 2	Level 3	Total
<i>Financial liabilities at fair value</i>				
Derivative financial instruments				
Interest derivatives	-	112	-	112
Foreign exchange derivatives	-	57	-	57
Total	-	168	-	168
Financial liabilities designated as at fair value through p/l				
Deposits	-	-	9	9
Total financial liabilities at fair value	-	168	9	178
<i>Other financial liabilities</i>				
Subordinated debt securities				
Subordinated loans	803	467	-	1,270
Debt securities in issue				
Bonds	3,208	396	-	3,604
Total other liabilities	4,011	863	-	4,874
Group financial liabilities, total	4,011	1,032	9	5,052

	12/2020		12/2019	
	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	0	5	8	0
Funds	-	-	3	-
Total	0	5	11	0
Financial assets available-for-sale				
Debt securities	410	333	582	302

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

> 9 Determination and hierarchy of fair values

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, 10 percentage point depreciation of all other currencies against SEK would result in an increase recognised in profit/loss of EURm 21 (12) and in a decrease recognised directly in equity of EURm -18 (-10). In Topdanmark, 10 percentage depreciation of all other currencies against DKK would result in an increase recognised in profit/loss of EURm 3 (-5), but would not have an impact on equity. In Mandatum, 10 percentage point depreciation of all other currencies against EUR would result in an increase recognised in profit/loss of EURm 55 (48) and in a decrease recognised directly in equity of EURm -66 (-68). In Holding, 10 percentage point depreciation of all other currencies against EUR would have no impact in profit/loss, but a decrease recognised in equity of EURm -31 (-156). 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 31 December 2020.

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	352	-313	-89	-79
Effect recognised directly in equity	307	-281	-623	-199
Total effect	659	-594	-712	-278

10 Movements in level 3 financial instruments measured at fair value >

Financial assets	At Jan. 1 2020	Total gains/ losses in income statement	Total gains/ losses recorded in other compre- hensive income	Purchases	Sales	Transfers from/to level 1 and 2	At 31 Dec 2020	Gains/ losses included in p/l for financial assets 31 Dec 2020
Financial assets for trading								
Debt securities	45	2	-3	42	-28	136	193	2
Investments related to unit-linked insurance contracts								
Equity securities	18	0	-	6	-5	-1	18	-2
Debt securities	26	10	-6	51	-31	755	804	9
Funds	1,000	-30	-	474	-148	-	1,297	-29
Total	1,045	-20	-6	530	-183	754	2,119	-21
Financial assets available-for-sale								
Equity securities	380	-7	5	10	-40	-6	342	2
Debt securities	161	-4	0	172	-169	1	160	-2
Other assets	878	-40	43	149	-80	-	951	5
Total	1,419	-51	49	331	-289	-5	1,453	6
Total financial assets measured at fair value	2,508	-69	49	903	-501	884	3,766	-13

	2020		
	Realised gains	Fair value gains and losses	Total
Total gains or losses included in profit or loss for the financial period	-80	61	-19
Total gains or losses included in profit and loss for assets held at the end of the financial period	-74	61	-13

> 10 Movements in level 3 financial instruments measured at fair value

Financial assets	At Jan. 1 2019	Total gains/ losses in income statement	Total gains/ losses recorded in other compre- hensive income	Purchases	Sales	Transfers from/to level 1 and 2	At 31 Dec 2019	Gains/ losses included in p/l for financial assets 31 Dec 2019
Financial assets for trading								
Debt securities		51	0	-	7	-14	44	0
Investments related to unit-linked insurance contracts								
Equity securities		7	0	-	11	0	18	0
Debt securities		27	0	-	27	-28	26	-1
Funds		678	13	-	471	-162	1,000	11
Total		713	13	-	510	-191	1,045	11
Financial assets available-for-sale								
Equity securities		323	0	-1	67	-10	380	-1
Debt securities		13	0	0	138	-91	60	0
Other assets		909	3	-33	124	-125	878	-28
Total		1,245	4	-34	329	-226	1,318	-29
Total financial assets measured at fair value		2,009	17	-	846	-430	2,408	-18

	2019		
	Realised gains	Fair value gains and losses	Total
Total gains or losses included in profit or loss for the financial period	17	-33	-17
Total gains or losses included in profit and loss for assets held at the end of the financial period	16	-33	-18

11 Sensitivity analysis of level 3 financial instruments measured at fair value

	12/2020		12/2019	
	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	342	-68	370	-74
Debt securities	160	-3	61	-4
Other assets	951	-190	887	-177
Total	1,453	-261	1,318	-255

The value of financial assets regarding the debt security instruments has been tested by assuming a rise of 1 per cent unit 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 the these alternative assumptions, a possible change in interest levels would cause a descend of EURm -3 (-4) for the debt instruments, and EURm -259 (-252) 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 2.3 per cent (2.1).

12 Investments related to unit-linked insurance

	12/2020	12/2019
Financial assets as at fair value through p/l		
Debt securities	3,817	2,611
Equity securities	10,175	9,528
Loans and receivables	353	414
Derivatives	17	17
Other	475	406
Group investments related ot unit-linked insurance, total	14,837	12,975

13 Liabilities for insurance and investment contracts

	12/2020	12/2019
Insurance contracts		
Provision for unearned premiums		
P&C insurance, total	3,168	2,532
Life insurance		
Insurance contracts	1,555	1,821
Investment contracts	26	25
Provision for claims outstanding		
P&C insurance, total	10,140	8,411
Life insurance	1,940	2,080
Life insurance liabilities	3,126	3,172
Group liabilities for insurance and investment contracts, total	19,956	18,041

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.

14 Liabilities from unit-linked insurance and investment contracts

	12/2020	12/2019
Unit-linked insurance contracts	5,184	4,906
Unit-linked investment contracts	3,566	3,184
Life insurance liabilities	7,536	6,278
Group liabilities from unit-linked insurance and investment contracts, total	16,285	14,368

15 Other financial liabilities

	12/2020	12/2019
Derivative financial instruments (Note 8)	184	168
Debt securities in issue		
Bonds	2,747	3,414
Deposits received from reinsurers	4	9
Group financial liabilities, total	2,935	3,592

16 Contingent liabilities and commitments

	12/2020	12/2019
Off-balance sheet items		
Guarantees	1,252	1,263
Investment commitments	4	6
Acquisition of IT-software	6	6
Other	89	41
Total	1,350	1,317

Assets pledged as collateral for liabilities or contingent liabilities

	12/2020	12/2020	12/2019	12/2019
	Assets pledged	Liabilities/commitments	Assets pledged	Liabilities/commitments
Assets pledged as collateral				
Investment securities	286	185	225	0
Cash and cash equivalents	87	28	-	-

Assets pledged as security for derivative contracts, carrying value

	12/2020	12/2019
Investment securities	10	13
Cash and cash equivalents	359	276

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

17 Result analysis of If

	1-12/2020	1-12/2019
Premiums earned	4,484	4,388
Claims incurred	-2,975	-3,000
Operating expenses	-708	-706
Other technical income and expenses	-7	-13
Allocated investment return transferred from the non-technical account	17	16
Technical result	811	685
Investment result	130	242
Allocated investment return transferred to the technical account	-39	-44
Other income and expenses	2	2
Operating result	901	884

18 Sampo plc's income statement and balance sheet (FAS)

INCOME STATEMENT	1-12/2020	1-12/2019
Other operating income	17	16
Staff expenses	-17	-15
Depreciation and impairment	0	0
Other operating expenses	-18	-57
Operating profit	-19	-56
Finance income and expenses	715	1,547
Profit before appropriations and income taxes	697	1,491
Income taxes	0	-1
Profit for the financial period	696	1,490
BALANCE SHEET	12/2020	12/2019
ASSETS		
Intangible assets	1	2
Property, plant and equipment	4	4
Investments		
Shares in Group companies	4,712	3,401
Receivables from Group companies	242	269
Shares in participating undertakings	4,394	5,440
Receivables from participating undertakings	82	90
Other shares and participations	786	973
Other receivables	86	46
Receivables	89	81
Cash and cash equivalents	1,120	1,320
TOTAL ASSETS	11,515	11,625
LIABILITIES		
Equity		
Share capital	98	98
Fair value reserve	124	114
Invested unrestricted equity	1,527	1,527
Other reserves	273	273
Retained earnings	4,751	4,095
Profit for the year	700	1,490
Total equity	7,472	7,596
Liabilities		
Long-term	3,934	3,908
Short-term	109	121
Total liabilities	4,043	4,030
TOTAL LIABILITIES	11,515	11,625

