

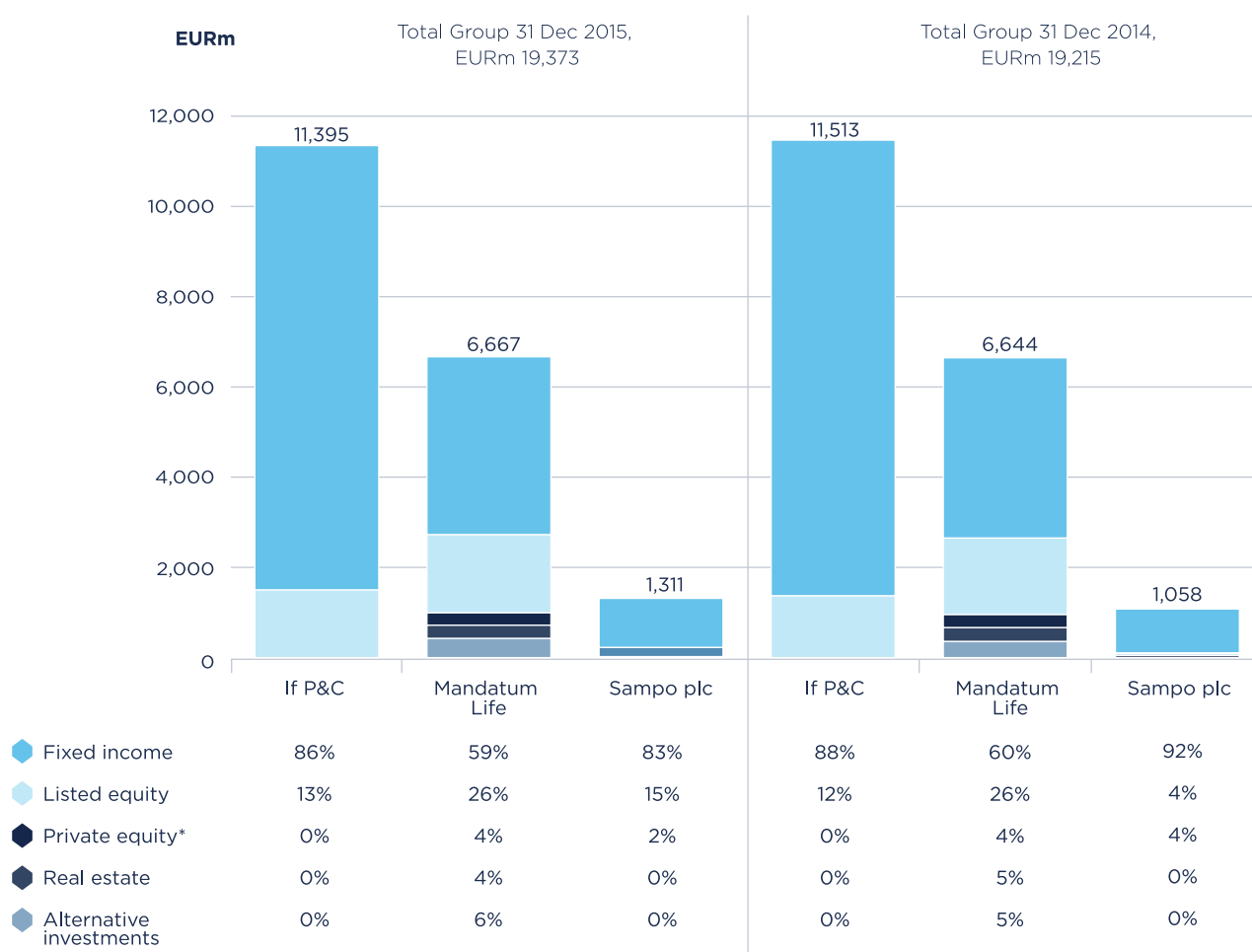
Asset Allocations and Investment Returns

The total amount of Sampo Group's investment assets as at 31 December 2015 was EUR 19,373 million (EUR 19,215 million in 2014). Mandatum Life's investment assets presented here do not include assets which cover unit-linked contracts. The composition of the

investment portfolios by asset classes in If P&C, Mandatum Life and Sampo plc at year end 2015 and at year end 2014 are shown in the figure Development of Investment Portfolios, If P&C, Mandatum Life and Sampo plc, 31 December 2015 and 31 December 2014.

Development of Investment Portfolios

If P&C, Mandatum Life and Sampo plc, 31 December 2015 and 31 December 2014



* Private Equity also includes direct holdings in non-listed equities

Sampo plc's figures don't include the debt instruments issued by the insurance subsidiaries. The investments of Mandatum Life's Baltic subsidiary are included in Mandatum Life's investment assets as equity in all tables and graphs in this Risk Management section.

The insurance liabilities as well as the risk appetite of Mandatum Life and If P&C differ and as a result, the

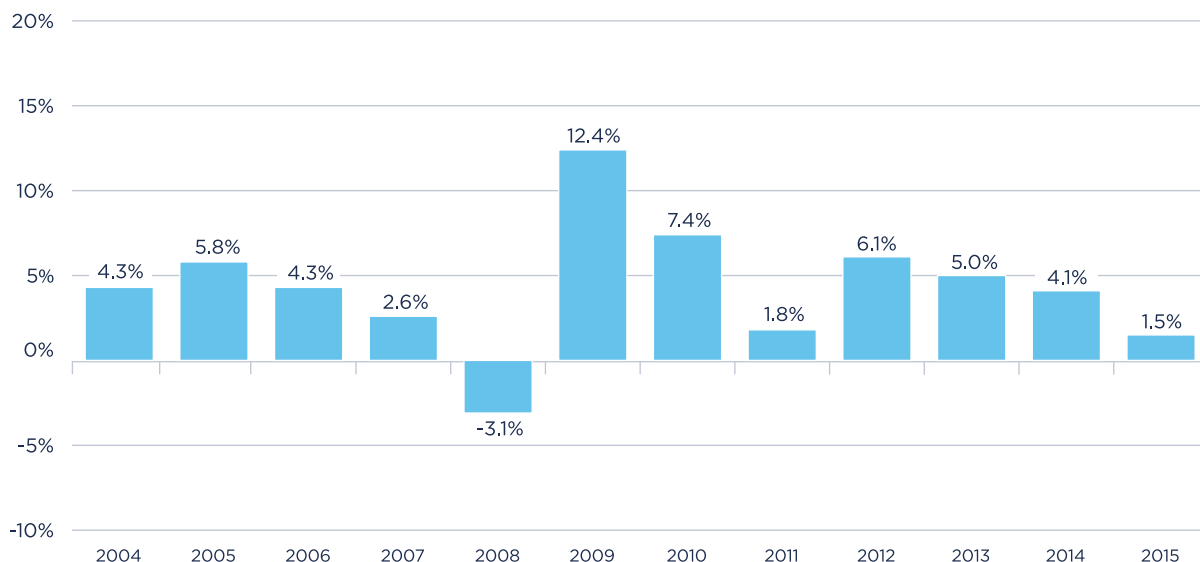
structures and risks of the investment portfolios of the two companies are often different. This is reflected

also in the companies' investment returns. Mandatum Life has had, on average, higher returns and higher volatility. The figures Annual Investment Returns at

Fair Values, If P&C and Mandatum Life, 2004-2015 present the historical development of investment returns.

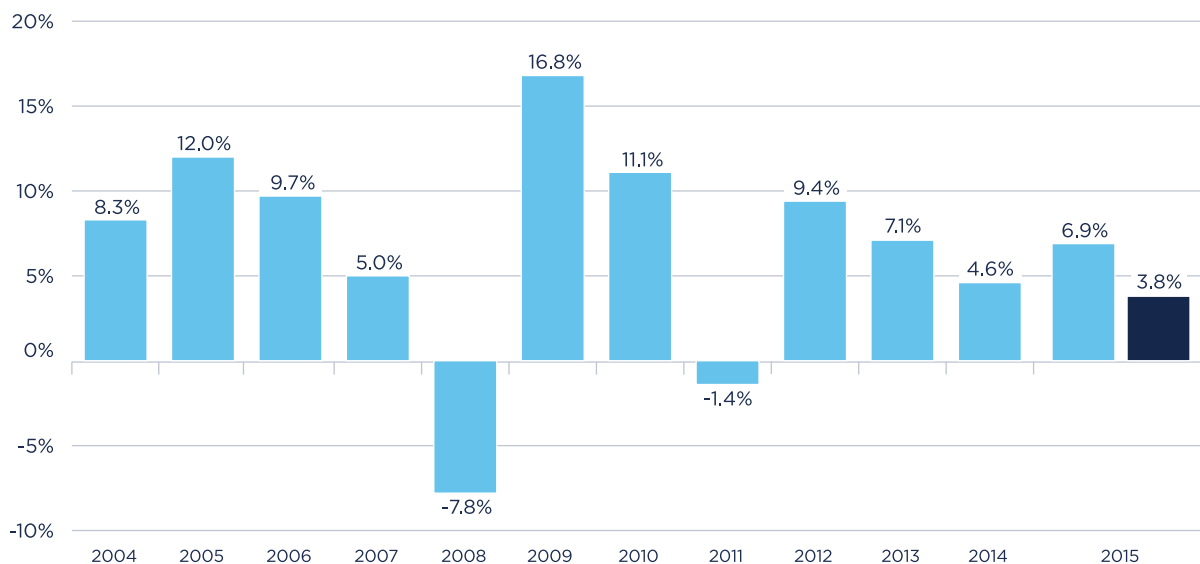
Annual Investment Returns at Fair Values

If P&C, 2004-2015



Annual Investment Returns at Fair Values

Mandatum Life, 2004-2015



■ Mandatum Life

■ Segregated group pension portfolio

The weighted average investment return of Group's investment portfolios (including Sampo plc) in 2015 was 3.1 per cent (4.3 per cent in 2014).

More detailed investment allocations and average maturities of fixed income investments of If P&C,

Mandatum Life, Sampo plc and Sampo Group as at year-end 2015 are presented in the table Consolidated Investment Allocation, If P&C, Mandatum Life, Sampo plc and Sampo Group, 31 December 2015.

Consolidated Investment Allocation

If P&C, Mandatum Life, Sampo plc and Sampo Group, 31 December 2015

Asset class	If P&C			Mandatum Life			Sampo plc			Sampo Group		
	Market value, EURm	Weight	Average maturity, years	Market value, EURm	Weight	Average maturity, years	Market value, EURm	Weight	Average maturity, years	Market value, EURm	Weight	Average maturity, years
Fixed income total	9,852	86%	2.6	3,945	59%	3.1	1,051	80%	1.2	14,848	77%	2.6
Money market securities and cash	1,389	12%	0.3	507	8%	0.4	741	56%	0.0	2,636	14%	0.2
Government bonds	1,378	12%	3.5	75	1%	3.2	0	0%	0.0	1,453	7%	3.4
Credit bonds, funds and loans	7,085	62%	2.8	3,355	50%	3.5	311	24%	4.1	10,750	55%	3.1
<i>Covered bonds</i>	2,652	23%	2.7	198	3%	3.0	0	0%	0.0	2,850	15%	2.7
<i>Investment grade bonds and loans</i>	2,654	23%	2.6	1,761	26%	3.1	207	16%	4.4	4,623	24%	2.9
<i>High-yield bonds and loans</i>	1,361	12%	3.1	1,122	17%	3.7	103	8%	3.5	2,587	13%	3.4
<i>Subordinated / Tier 2</i>	226	2%	4.4	36	1%	6.8	0	0%	0.0	262	1%	4.7
<i>Subordinated / Tier 1</i>	192	2%	4.7	238	4%	5.2	0	0%	0.0	430	2%	5.0
<i>Hedging swaps</i>	-1	0%	-	-0	-0%	-	0	0%	-	-1	0%	-
Policy loans	0	0%	0.0	8	0%	2.0	0	0%	0.0	8	0%	2.0
Listed equity total	1,498	13%	-	1,732	26%	-	201	15%	-	3,431	18%	-
Finland	0	0%	-	576	9%	-	66	5%	-	641	3%	-
Scandinavia	1,098	10%	-	12	0%	-	135	10%	-	1,245	6%	-
Global	400	4%	-	1,144	17%	-	0	0%	-	1,544	8%	-

Alternative investments total	47	0%	-	992	15%	-	22	2%	-	1,060	5%	-
Real estate	22	0%	-	293	4%	-	2	0%	-	317	2%	-
Private equity*	25	0%	-	275	4%	-	20	2%	-	320	2%	-
Biometric	0	0%	-	20	0%	-	0	0%	-	20	0%	-
Commodities	0	0%	-	0	0%	-	0	0%	-	0	0%	-
Other alternative	0	0%	-	403	6%	-	0	0%	-	403	2%	-
Trading derivatives	-1	0%	-	-1	0%	-	37	3%	-	35	0%	-
Asset classes total	11,395	100%	-	6,667	100%	-	1,311	100%	-	19,373	100%	-
FX Exposure, gross position	155	-	-	578	-	-	135	-	-	868	-	-

*)Private Equity also includes direct holdings in non-listed equities

The parent company's asset portfolio includes hybrid capital debt instruments issued by the Group companies and the portion of short-term liquid instruments is substantial, because the portfolio is also held as a liquidity buffer. The hybrid debt instruments issued by the subsidiaries are not included in the consolidated figures. From time to time, the asset portfolios may include other investments as well. The market risks of the parent company are limited. Interest rate risk arising from gross debt and the interest bearing assets is Sampo plc's most significant market risk together with refinancing risk related to gross debt. Most of the parent company's debt is tied to short-term reference rates as a consequence of the interest rate swaps used. This mitigates group level interest rate risk because, while lower interest rates would reduce the subsidiaries' investment returns in the long-term, the interest expense in the parent company would also be lower.

Fixed income investments and listed equity instruments form a major part of the subsidiaries' investment portfolios. Money market securities, cash and investment grade government bonds form a

liquidity buffer within fixed income investments. The average maturity of fixed income investments was 2.6 years in If P&C and 3.1 years in Mandatum Life.

Both If P&C and Mandatum Life are exposed to interest rate and currency risks (general market risks) as well as to equity and spread risks.

Additionally, If P&C and Mandatum Life have real estate, private equity, biometric and other alternative investments. The Investment Policies set limits for the maximum allocations into these asset classes and products. On 31 December 2015, the combined share of the above mentioned investments was 5.5 per cent of the total investment portfolio of Sampo Group. In If P&C the proportion was 0.4 per cent and in Mandatum Life it was 14.9 per cent. These asset classes are managed, in most cases, by external asset managers with the exception of Group's real estate portfolio which is managed by Sampo Group's real estate management unit. The real estate portfolio includes both direct investments in properties and indirect investments in real estate funds as well as in shares and debt instruments of real estate companies.