

Mandatum Life – an Expert in Money and Life

Mandatum Life is the leading provider of cover against health and life risks, and a well-respected manager of customer wealth in Finland and the Baltic countries. Mandatum Life Group offers its customers comprehensive services that include tailored unit-linked investments and wealth management, personal risk insurance for private customers, pension and reward services for companies and the related consultation services.

The parent company of Mandatum Life Group is Mandatum Life Insurance Company Limited, the subsidiaries of which are, following a change in corporate structure in 2014, Mandatum Life Services Ltd., Mandatum Life Investment Services Ltd., Mandatum Life Fund Management S.A. and Innova Services Ltd. and Mandatum Life Insurance SE Baltic, which continue to operate as before.

The focal point of Mandatum Life's new sales business is unit-linked insurances, capital redemption contracts, group pension insurance and risk insurance covering personal risks. For these, Mandatum Life has three

sales channels in Finland: sales groups specialized in corporate sales, wealth managers focused on high-net-worth individuals and Danske Bank's distribution network. The fourth sales channel is customer services, which is responsible especially for the additional services offered to existing clientele.

Mandatum Life Group began offering its own wealth management services related to insurance and capital redemption contracts in 2008. These services are primarily focused on high-net-worth individuals, but the comprehensive range of investment baskets is also available to a broad spectrum of private customers. Institutions constitute a key segment of Mandatum Life's wealth management customers. Mandatum Life's fund business operations caters for the needs of institutional customers in particular.

Mandatum Life serves its private customers mainly through Danske Bank's distribution channel. Co-operation with Danske Bank has been successful for many years now.

Insurance for Corporate Customers and Entrepreneurs a Strong Strategic Focal Area

Mandatum Life's goal is to maintain its position as Finland's largest life insurer in the corporate customer segment. Mandatum Life estimates that there is still a growing need for Finns to secure their income during retirement and to prepare for health and life risks. The pension reform of 2017, which aims to lengthen careers and help close the sustainability gap in public finances, increases the level of preparedness for retirement. The company believes that voluntary corporate pension schemes will play an increasingly important role in complementing statutory earnings-related pensions. In addition, services intended for companies' personnel, such as personnel funds, are a key component of the service Mandatum Life provides companies.

In terms of the existing insurance portfolio with high guarantees, the strategy is to maintain a sufficiently strong solvency position which makes it possible to target a higher long-term return than that offered by low-risk fixed income instruments in the company's

investment operations. The goal will be to actively accelerate the downward trend of the with-profit portfolio. The transition rules of the Solvency II framework, together with the downward trend of this insurance portfolio, will enable the company to carry out effective capital management in the future. The company is keen to find growth also in the area of new with-profit contracts, provided that this takes place on favorable terms, taking into account profitability, risk management and Solvency II, and brings added value to both customers and the company.

Mandatum Life's result consists of three components: investment result, risk result and expense result. In expense and risk result, Mandatum Life seeks growth through both higher operational efficiency and volume growth. The company's financial target is to produce an RoE of at least 17.5 per cent.