

# Sampo Group's Salary and Remuneration Report

Sampo complies in full with the Corporate Governance Code published by the Securities Market Association on 20 October 2008 and effective from 1 January 2009. This salary and remuneration report has been drawn up in accordance with section 7 ('Remuneration') of the Corporate Governance Code. The Code can be viewed in its entirety on the Securities Market Association's website at <http://www.cgfinland.fi>.

## Remuneration of the directors

Under Sampo's Articles of Association, the remuneration payable to the members of the Board of Directors is decided by the Annual General Meeting.

In accordance with the decision of the Annual General Meeting in 2009, the following annual fees are paid to members of the Board of Directors for their Board and committee work up to the close of the Annual General Meeting in 2010: EUR 160,000 to the Chairman, EUR 100,000 to the Vice Chairman, and EUR 80,000 to the other members of the Board, with 50 per cent of each Board member's annual fee after taxes and similar payments being paid in the form of Sampo A shares. The members of the Board of Directors acquired 11,727 Sampo A shares with annual fees during 2009. Board members employed by the company are not paid a separate fee for their work on the Board.

Members of the Board of Directors did not receive any other benefits, nor did they participate in Sampo's incentive schemes. (See also the section headed 'Financial benefits of Board Chairman and Board members under an employment or service relationship'.)

## Remuneration of the Managing Director and other executives

The Board of Directors decides on the terms of employment and other remuneration matters applying to the Group CEO and other executives on the Group Executive Committee, on the basis of proposals by the Nomination and Compensation Committee. If authorised by the Board of Directors, the Nomination and Compensation Committee can, however, decide on the salaries of members of the Group Executive Committee, but not those of the Group CEO or Deputy CEO.

In addition to receiving monthly salaries, the executive members of the Group Executive Committee are participants in the Group's profit bonus system, which is decided upon separately each year. The profit bonus is determined on the basis of the Group result, the business area result and individual performance. The maximum profit bonus that can be paid for 2009 to members of the Group Executive Committee is an amount corresponding to nine months' salary.

Members of the Group Executive Committee are also participants in the long-term incentive schemes for Sampo plc's management (2006 II, 2008 I, 2008 II and 2009 I) and in the long-term share-based incentive scheme 'Sampo 2006' for the Group's key management. The terms of the incentive schemes are available on Sampo's website at <http://www.sampo.com/compensation>.

The Group Executive Committee, excluding the Group CEO, was paid a total in fixed salaries of EUR 3,598,712 and profit and incentive bonuses of EUR 3,415,150, together totalling EUR 7,013,862, for 2009. This amount includes share purchases under the terms of the incentive schemes. Through incentive scheme transactions the Group Executive Committee, excluding the Group CEO, acquired 22,395 Sampo A shares in 2009. These shares are subject to a lock-up period.

The members of the Group Executive Committee are each covered by the employment pension system of their country of residence. Under the terms of their employment contracts, the majority of them are also covered by supplementary pension schemes. The cost of these programmes was EUR 1,612,025 in 2009. The retirement age for the Committee's members as set out in their contracts is 60 or 65.

## Financial benefits included in the Group CEO's service relationship

The Board of Directors elects and releases the Group CEO, and decides on the Group CEO's terms of employment and other compensatory matters.

A new Group CEO was appointed at Sampo during 2009, in accordance with the announcement made at the 2008 Annual

General Meeting. Björn Wahlroos stepped down from his position as Sampo plc's Group CEO at the close of the Annual General Meeting in April 2009. The new Group CEO is Kari Stadigh, who took up his duties on 8 April 2009.

For the period 1 January to 7 April 2009, Björn Wahlroos was paid EUR 201,102 in fixed salary and EUR 370,800 in profit and incentive bonuses, altogether totalling EUR 571,902, for his duties as Group CEO. The cost of supplementary pension amounted EUR 230,722.

For the period 8 April to 31 December 2009, Kari Stadigh was paid EUR 474,953 in fixed salary and EUR 417,000 in profit and incentive bonuses, altogether totalling EUR 891,953, for his duties as Group CEO. This amount includes share purchases under the terms of the incentive schemes. Through incentive scheme transactions the Group CEO acquired 6,269 Sampo A shares in 2009. These shares are subject to a lock-up period.

As the deputy CEO during 1 January to 7 April 2009 Kari Stadigh was paid EUR 132,458 in fixed salary and EUR 203,500 in profit and incentive bonuses, altogether totalling EUR 335,958. Consequently, his fixed salary as of 1 January to 31 December 2009 amounted to EUR 607,411 and profit and incentive bonuses EUR 620,500, i.e. EUR 1,227,911 in total.

The period of notice for terminating the service contract of the Group CEO is six months. In addition to receiving salary for the period of notice, the Group CEO is entitled to severance

compensation of 18 months' full salary, provided the service contract was terminated by Sampo plc.

The retirement age of the Group CEO Kari Stadigh is 60 and the pension benefit is 60 per cent of the pensionable salary. The reduction in the retirement age was accompanied by supplementary pension coverage, the cost for which was EUR 383,168 in 2009.

#### Financial benefits of the Board Chairman and Board members under an employment or service relationship

The members of the Board of Directors are not in an employment or service relationship with the company and are not covered by the remuneration systems.

After being elected to the Sampo Board and as its Chairman as of 8 April 2009, Björn Wahlroos continued in Sampo's service until 30 June 2009, on account of which a proportional Board Chairman fee of EUR 120,000 was paid to him for 2009. Following the end of his service relationship, Björn Wahlroos relinquished his share of the 'Sampo 2006' long-term share-based incentive scheme for the Group's key management, and he is no longer entitled to payments through this scheme. For the period 8 April to 30 June 2009, Björn Wahlroos was paid a total salary of EUR 266,934. The cost of supplementary pension amounted EUR 199,800.