

Sampo Group's **Annual Report 2013**

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Nomination and Compensation Committee Nomination and Compensation Committee

Nomination and Compensation Committee

The Nomination and Compensation Committee is entrusted to prepare and present proposals for Sampo's Annual General Meeting on the composition of the Board, the remuneration of Board members and the principles on which this remuneration is determined. The Committee consults the largest shareholders in these matters.

The Committee is also responsible for preparing proposals for Sampo's Board on the evaluation of the independence of the members of the Board, on the composition and chairman of the Board's committees, on the appointment of Sampo Group CEO and President and the composition of Sampo Group's Executive Committee, the composition of the Group MD Committee, and, to the extent required, makes surveys of potential successors to aforementioned positions. The Committee also prepares proposals for the Board on the principles by which the members of the Group Executive Committee are to be compensated and their remuneration.

Nomination and Compensation Committee also prepares for the Board's decision Sampo Group's Remuneration Principles and Sampo plc's Remuneration Policy, Sampo Group's long-term incentive programs, maximum pay-outs based on short and long-term incentive programs as well as the actual payments to be made.

As authorized by the Board of Directors, the Committee also decides on the fixed salaries of the members of the Group Executive Committee, excluding the Group CEO and his/her deputy.

Furthermore, the Committee prepares a proposal for the Board on the appointment, employment conditions and other compensation of Sampo Group's Chief Audit Executive, and on the principles by which Sampo Group's staff are to be compensated. In addition, the Committee is responsible for preparing proposals for the Board on issues relating to the development of corporate governance and confirming the criteria and processes used for the Board's self-evaluation.

The Committee also regularly evaluates its own practices and co-operation with the executive management.

In 2013, the Nomination and Compensation Committee comprised the Chairman of the Board (who acted as the Committee's Chairman), the Vice Chairman of the Board and, as of 18 April 2013, two members elected from among the members of the Board.

The Chairman of the Nomination and Compensation Committee in 2013 was **Björn Wahlroos**, and the other members were **Veli-Matti Mattila**, **Eira Palin-Lehtinen**, **Christoffer Taxell** (until 18 April 2013) and **Matti Vuoria**.

The Committee convened five times in 2013. The average attendance of members at meetings was 100 per cent.