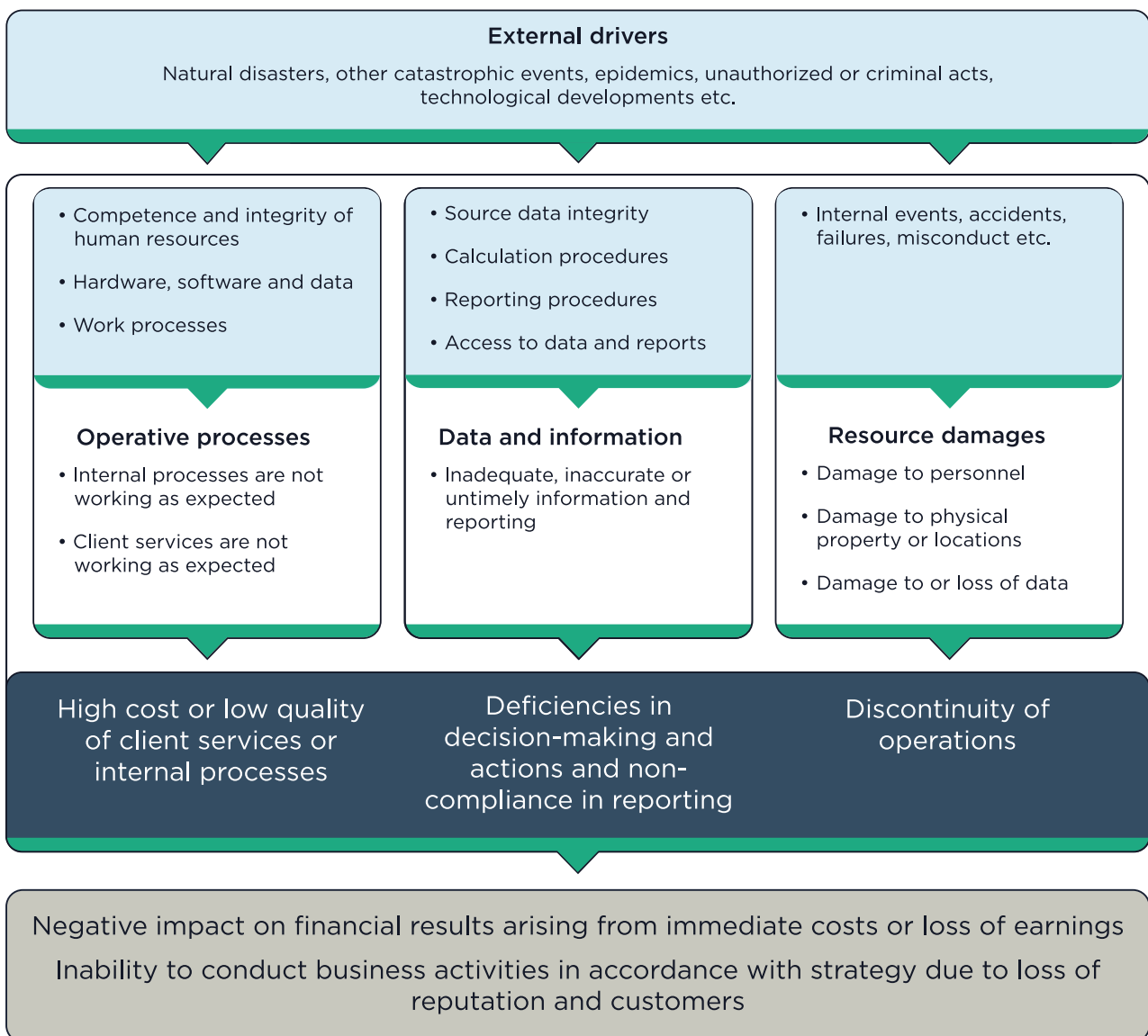


Operational Risks

In Sampo Group, operational risk refers to the risk of loss resulting from inadequate or failed processes or systems, from personnel or from external events.

Operational risks can realize as an immediate negative impact on financial results arising from additional costs or loss of earnings. In a longer term, operational risks can materialize for instance as a loss of reputation and customers which endangers the company's ability to conduct business activities in accordance with the strategy. These immediate and longer term effects of operational risk have their general causes in external and internal drivers. The Group companies have their own specific risk sources which are causes of events that may have negative impacts on different processes, personnel or fixed assets.

Operational Risks



In Sampo Group, the parent company Sampo plc sets the following goals of operational risk management to subsidiaries:

- To ensure simultaneously the efficiency and the quality of operations;
 - To ensure that operations are compliant with laws and regulations; and
- To ensure the continuity of business operations in exceptional circumstances.

Each company is responsible for arranging its operational risk management in line with the above mentioned goals, taking also into account the specific features of its business activities.