

Group Solvency

Nordea Bank AB (publ) has been Sampo plc's associated company since 31 December 2009. Under the Act on the Supervision of Financial and Insurance Conglomerates (2004/699), Sampo Group is therefore treated as a financial and insurance conglomerate.

Group solvency has in 2013 been calculated according

to Chapter 3 of the Act on the Supervision of Financial and Insurance Conglomerates (2004/699). The Act is based on Directive 2002/87/EC of the European Parliament and of the Council on the supplementary supervision of credit institutions, insurance undertakings and investment.

Sampo Group Solvency

EURm	31 Dec 2013	31 Dec 2012
Group capital	10,643	10,020
Sectoral items	1,274	1,285
Intangibles and other deductibles	-3,319	-3,160
Group's own funds, total	8,598	8,145
Minimum requirements for own funds, total	4,663	4,767
Group solvency	3,935	3,379
Group solvency ratio (Own funds % of minimum requirements)	184.4%	170.9%

Group solvency ratio (own funds in relation to minimum requirements for own funds) increased during 2013 and amounted to 184.4 per cent (170.9) as at 31 December 2013. The improvement was due to Sampo Group's strong profit generation. Changes in other items were relatively small, except for the increased dividend assumption.

In addition to the aforementioned conglomerate solvency considerations, Sampo Group's solvency is assessed internally by comparing the capital required to the capital available. Capital requirement assessment is based on an economic capital framework, in which Group companies quantify the amount of capital required for measurable risks over a

one year time horizon at 99.5 per cent's confidence level. In addition to economic capital, companies assess their capital need related to non-measurable risks like risks in business environment.

Capital available or Adjusted Solvency Capital include regulatory capital and in addition other loss absorbing items like the effect of discounting technical reserves and other reserves excluded from regulatory capital.

The economic capital tied up in Group's operations on 31 December 2013 was EUR 5,361 million (4,560) and adjusted solvency capital was EUR 9,417 million (8,197).