

Value through expertise in Asset Management and Life Insurance

Copenhagen, 7 January 2025

SEB Nordic Seminar 2025

Petri Niemisvirta, CEO

Mandatum in a nutshell

MANDATUM AS A COMPANY

Mandatum is a Pan-Nordic Credit and Alternatives Asset Management Specialist, and leading Finnish Life Insurer and Wealth Manager: Transitioning to a capital-light model with strong growth ambitions

Wide array of services: asset and wealth management, savings and investment, compensation and rewards, pension plans and personal risk insurance

Demerged from Sampo and was listed in 2023

S&P A-rating with Stable outlook

1874

Mandatum's roots date back 150 years*

700

Professionals

EUR 2.2bn

Market cap 9/2024 in OMX Helsinki

EUR 168m

Profit before taxes 1-9/2024

EUR 13.3bn

Client assets under management 9/2024

224%

Solvency ratio 9/2024

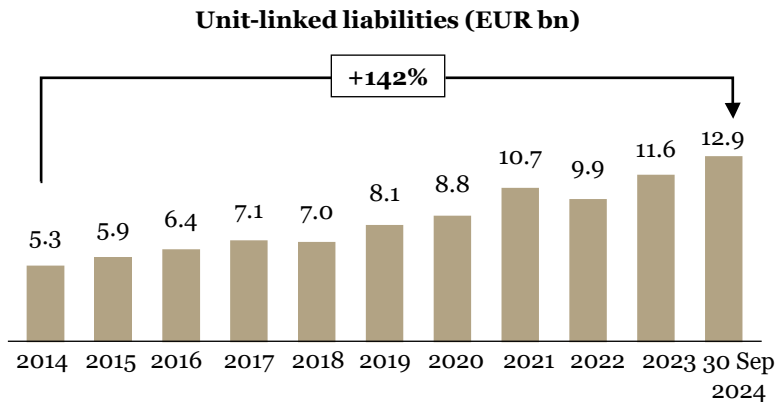
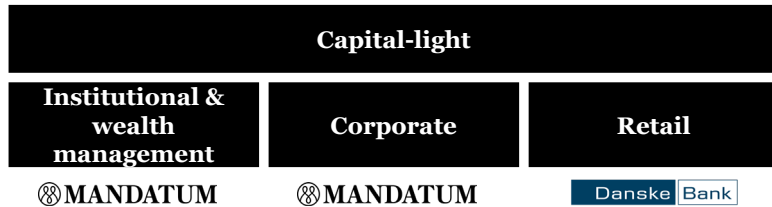
GEOGRAPHICAL PRESENCE



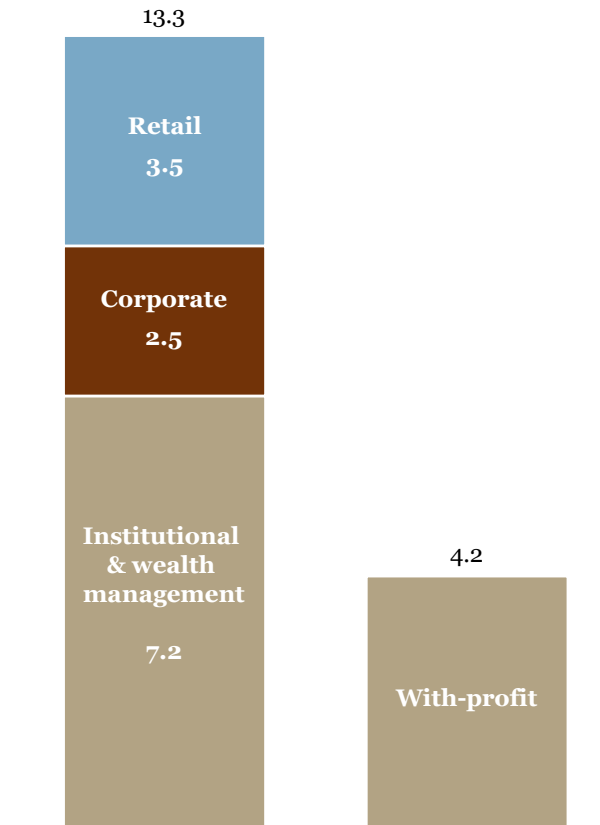
*Founding of the life insurance company Kaleva

Strategic growth from transformation to capital-light business

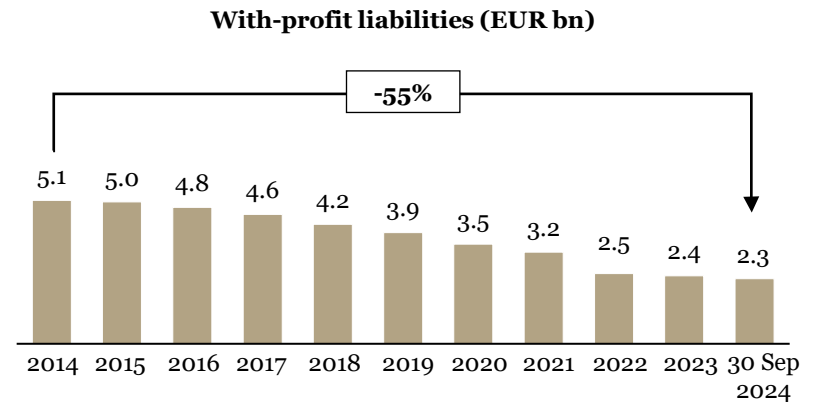
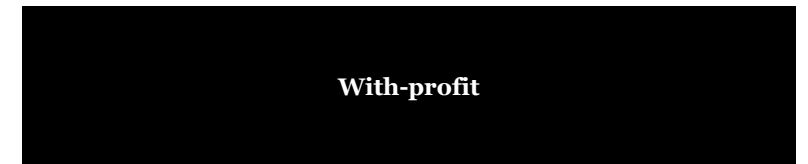
FOCUS ON STRONG AND PROFITABLE GROWTH OF CAPITAL-LIGHT OFFERING



AuM (EUR bn); 30 Sep 2024



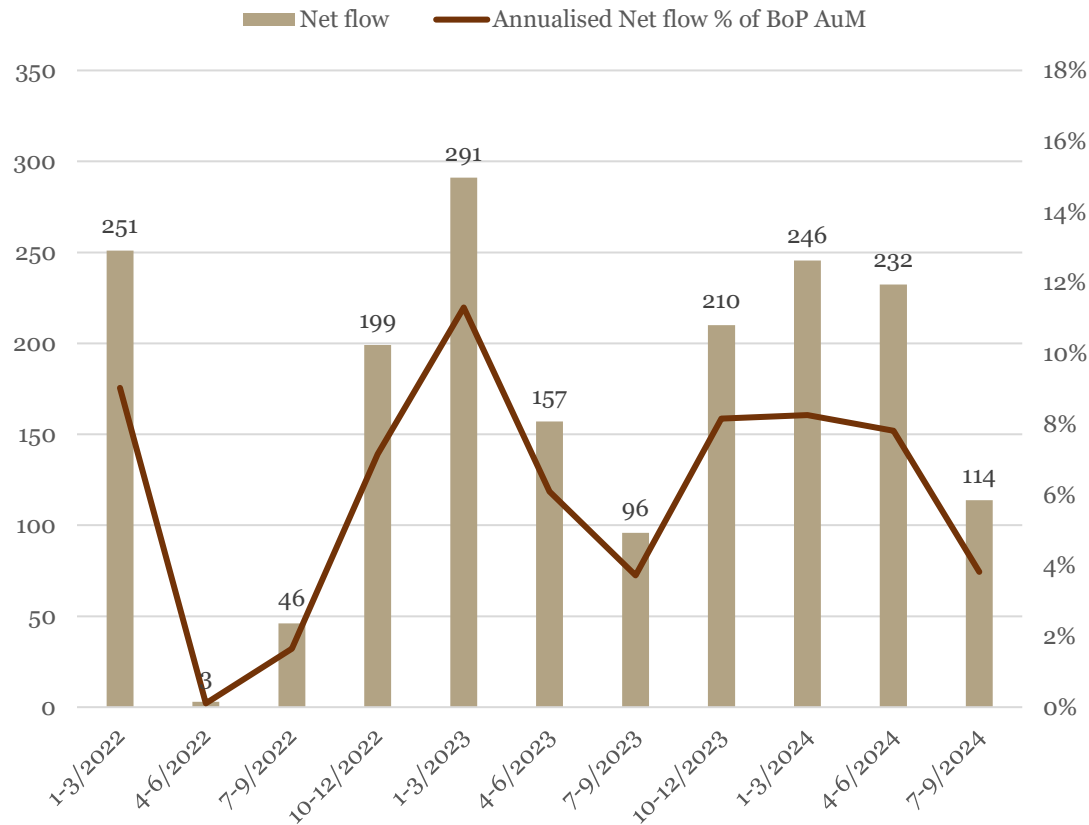
MANAGING WITH-PROFIT PORTFOLIO FOR PROFITS AND CAPITAL RELEASE



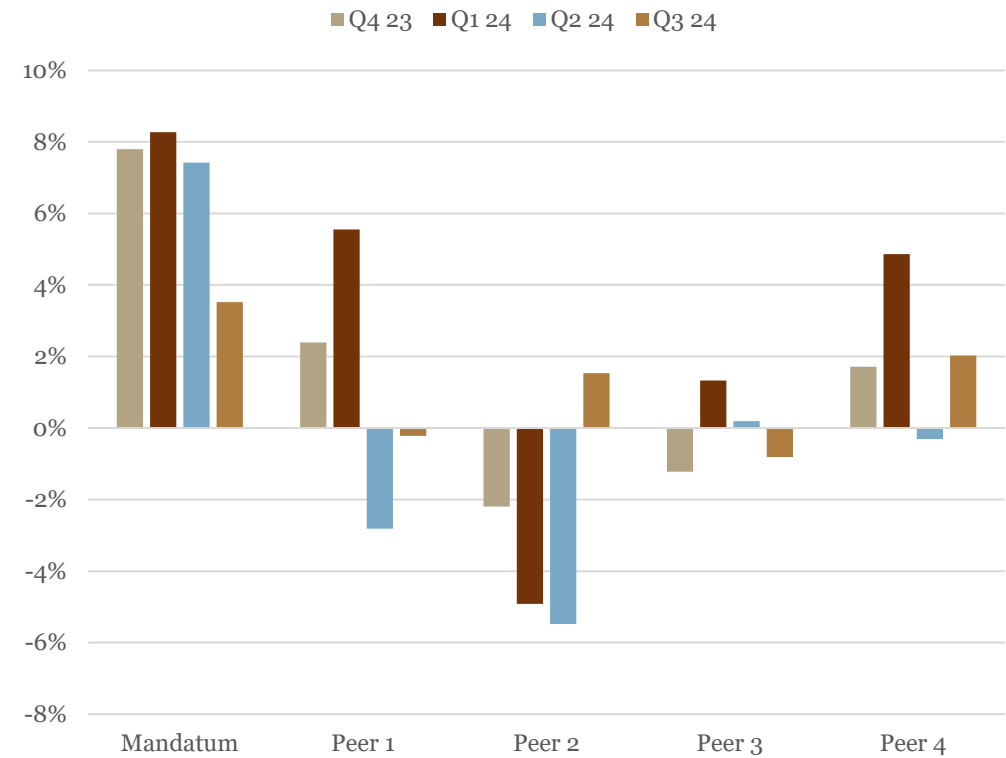
Net flow positive for over three consecutive years– higher and more stable than the peer group

Sales-oriented culture creates added value in relation to competitors

QUARTERLY NET FLOW (EURm)



ANNUALISED QUARTERLY NET FLOW VS. PEERS (% OF AUM¹)



Source: company info. (1) Based on beginning of period AuM.

Value through expertise and unique position

Attractive **capital distributions** supported by capital release from run-off with-profit business

500m€

Cumulative ordinary dividend target (2024-2026)

Strong **investment expertise** and significant **international growth potential** in wealth management

#1

Ranked the top institutional asset managers in Finland¹

>1,000bn€

Potential Nordic addressable market

Market leader in supplementary pensions and personnel funds

47%

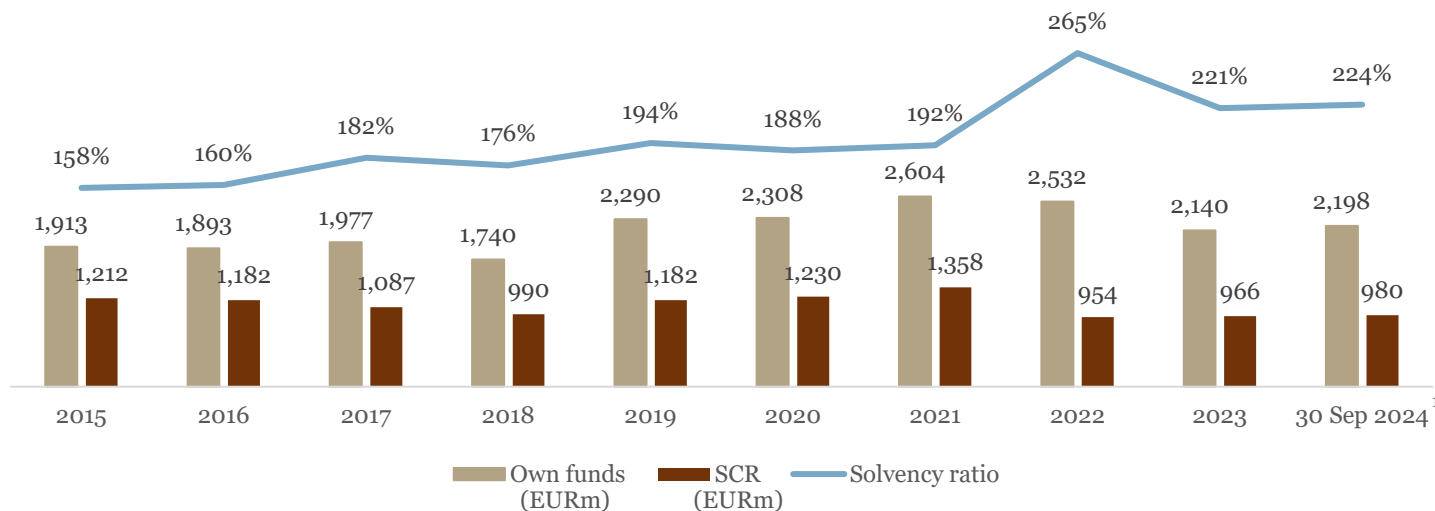
Market share in the Finnish unit-linked group pensions insurance market

Strong **brand** and high **customer** and **employee satisfaction**

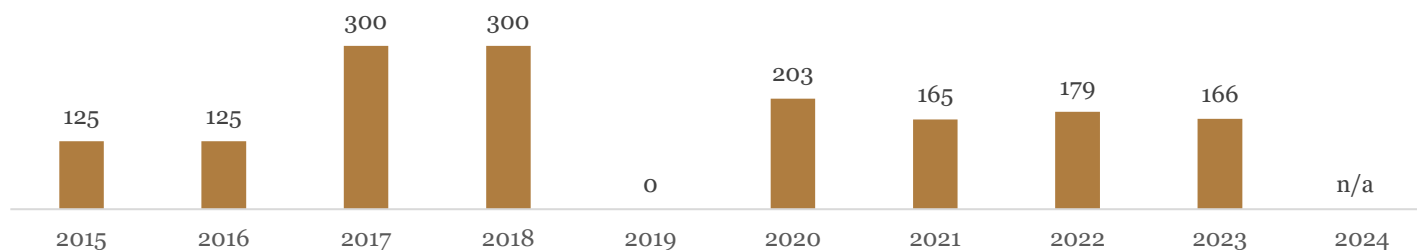


Strong solvency position enables attractive capital distribution

DEVELOPMENT OF MANDATUM'S SOLVENCY POSITION



DEVELOPMENT OF MANDATUM'S DIVIDEND (EURm)



LONG-TERM DIVIDEND TARGET

EUR 500 million
in cumulative ordinary dividends
(2024-2026)

Upside potential from excess capital
distributions

8.1%
Mandatum's
dividend yield in
2023

Payout ratio in 2023

61%
DPS /
OCG² per share

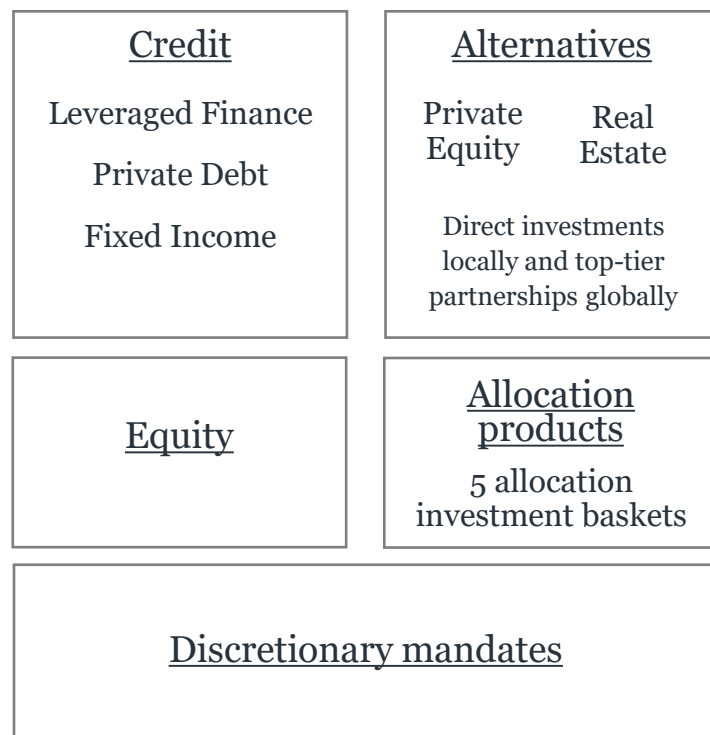
103%
DPS /
EPS

(1) Solvency ratio adjusted for dividend accrual for year 2024. Applied dividend assumption corresponds to the 2023 dividend of 0,33€/share. (2) OCG = organic capital generation

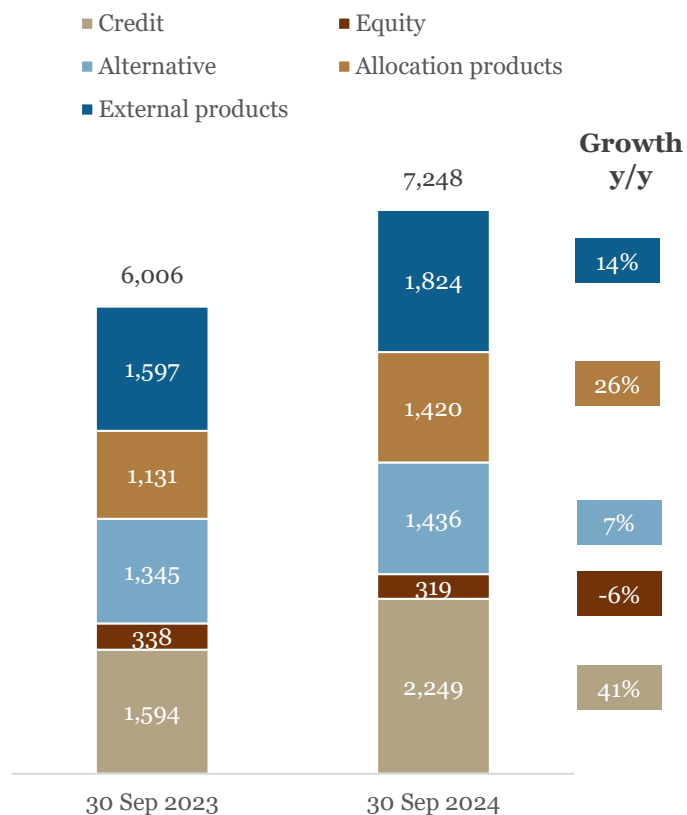
Institutional & wealth management as a growth driver

Award-winning credit products and recognised alternatives products

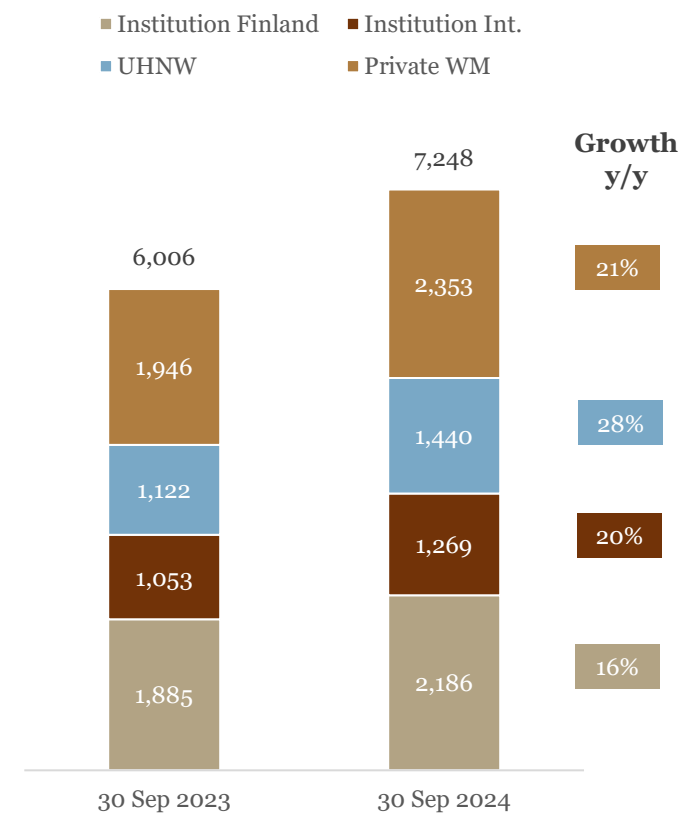
COMPREHENSIVE PRODUCT OFFERING



AUM BY PRODUCT (EURm)



AUM BY CLIENT SEGMENT (EURm)



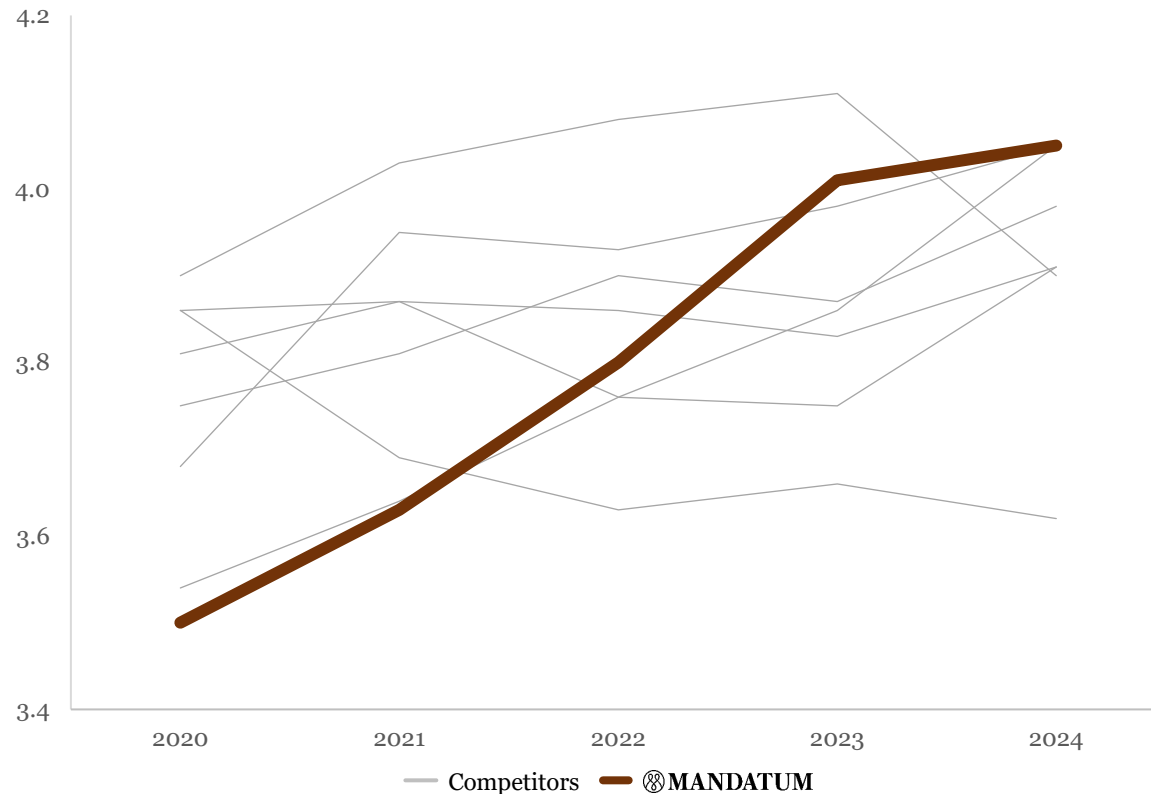
Note: Private WM and Ultra-high-net-worth (UHNW) segments affected by intra-group portfolio transfers in Q1 2024 so AuM not comparable for these segments.

Top ranked asset and wealth manager with strong investment expertise and proven track record

Mandatum has sticky and satisfied customer base benefitting from own direct distribution network

MANDATUM RANKED THE TOP INSTITUTIONAL ASSET MANAGER IN FINLAND*

Service Performance: Average of all criteria among large service providers



NET PROMOTER SCORE

82.7

Excellent customer satisfaction in private wealth management (2024)

78.9

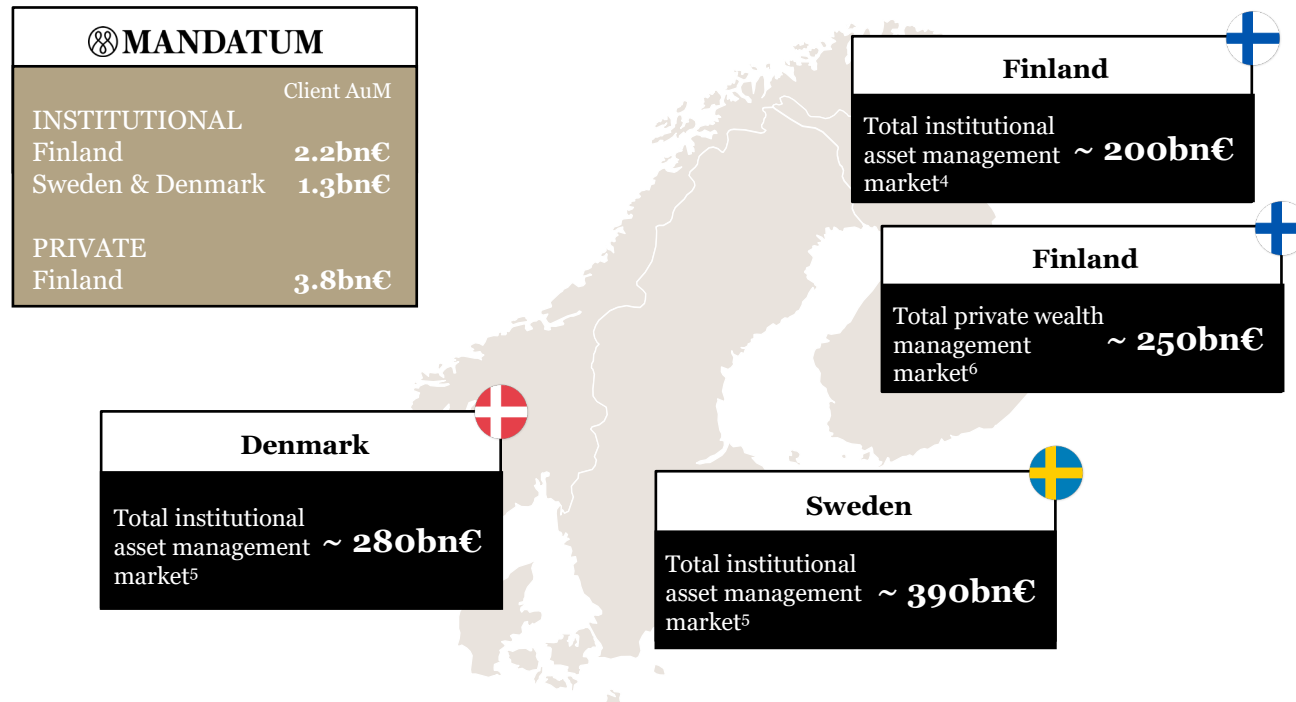
Excellent customer satisfaction in all customer segments (2024)

*SFR Research 2024

Large asset and wealth management markets offer significant growth potential

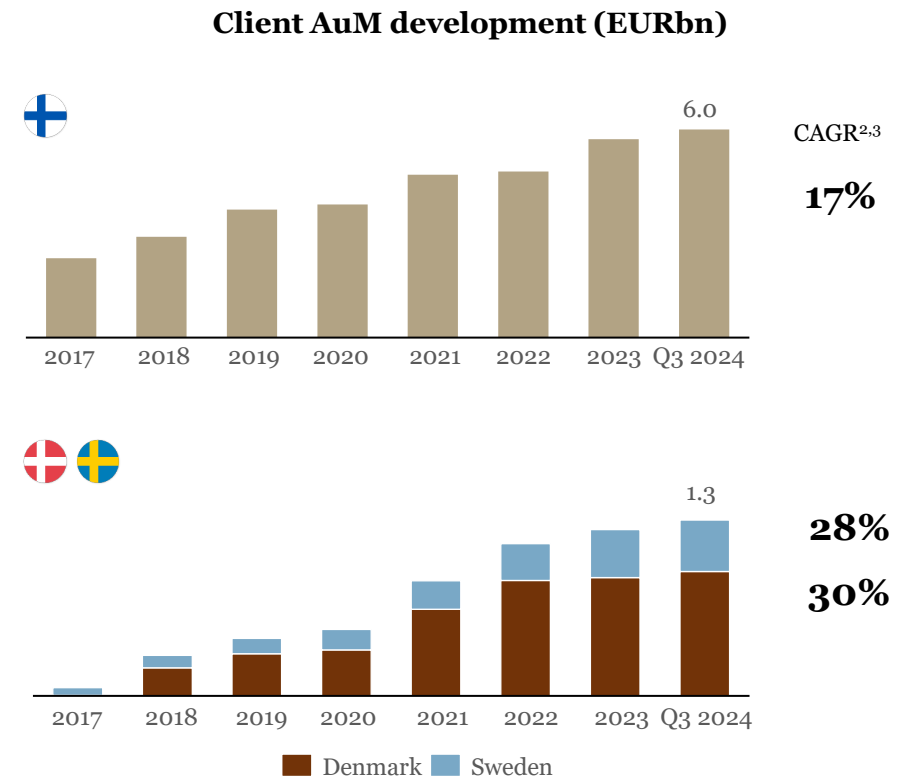
Addressable market in the Nordics over 1,000bn€

POTENTIAL ADDRESSABLE MARKET



- Institutional markets growing ~8% p.a. in 2023-2028
 - Tailwinds from equity flow diversion to active fixed income and alternatives
- Private market growing ~6% p.a. in 2023-2027

NORDIC GROWTH TRACK RECORD



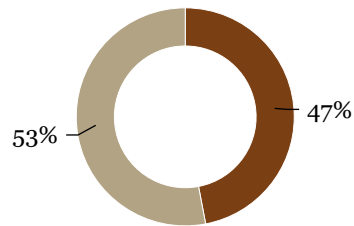
Note: (2) Including fee-generating commitments. (3) For Finland based on 2017 – Q2 2024. For Denmark and Sweden based on 2018 – Q2 2024. (4) Based on AuM of investment firms and fund management companies 2023 (FIN-FSA). (5) Based on total assets in investment funds (third-party market study). Source: FIN-FSA, third-party market study. (6) based on third-party market study

Market leader in supplementary pensions and personnel funds with the widest product offering in the market

Insurance wrapper model supports customer retention and benefits the customer

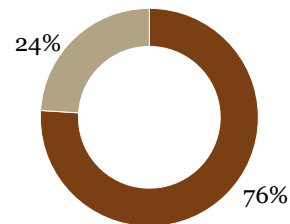
LEADING POSITION

Unit-linked group pensions (2023)



Others
MANDATUM

Personnel funds (2023)



COMPREHENSIVE PRODUCT OFFERING

Pension products

Pension policies
Reward and compensation advisory

Risk life insurance

Group life risk policies
Life insurance package for entrepreneurs

Personnel funds

Personnel funds
Rewards for management and employees

CROSS-SELLING OPPORTUNITIES WITH WEALTH MANAGEMENT

Corporate sales personnel and private wealth managers work in same teams in

10

locations across Finland

MANDATUM

~70%

of new wealth management sales involving
Corporate sales personnel



® MANDATUM

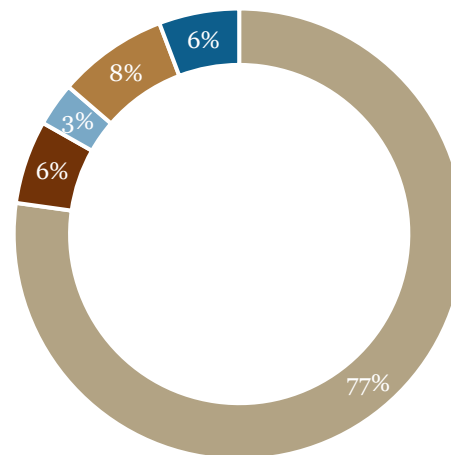
Mandatum's with-profit portfolio is a profitable business

RUN-OFF PORTFOLIO SINCE 2004

- Consists of guaranteed rate pension policies that have not been sold since 2000s
- Active liability managing
- Owner-friendly profit-split regulation
 - Normalised ROE above cost of capital

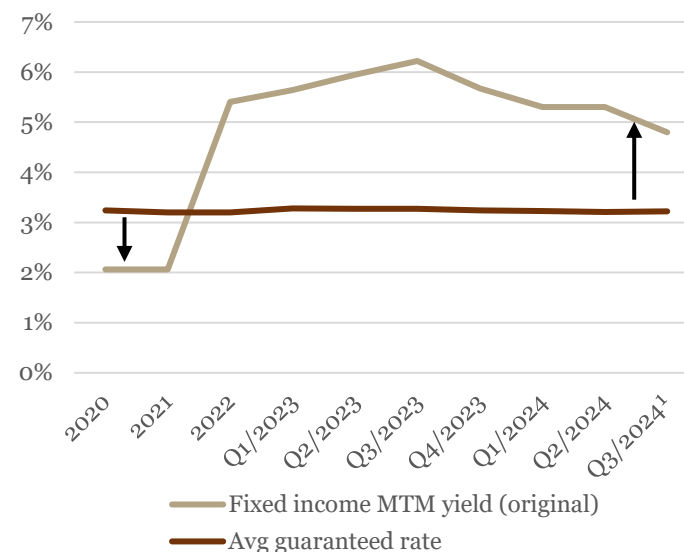


WP PORTFOLIO² BY ASSET CLASS (EUR 3.5 BN)



- Fixed income
- Listed Equity
- Real Estate
- Private Equity
- Private Credit

WP PORTFOLIO FIXED INCOME MtoM YIELD AND AVG GUARANTEED RATE



- The spread has been consistently around 2–3% after interest rates turned positive
- Future reported profits not driven by interest rate level due to hedging

Note: Return % related to the original portfolio and comments also related to original portfolio. (1) The MTM yield in Q3 is affected by the amount of money market investments, which includes a new EUR 300m Tier2 loan and the EUR 250m old loan repaid on 4 October 2024. If we remove the EUR 250m from the money market investments, the MTM yield rises to 5.1% (2) Original portfolio only, i.e. excluding segregated portfolio

Attractive financial targets supporting Mandatum's investment case

Focus on strong and profitable growth of capital-light offering¹

5% of AuM

Annual net flows²
(medium-term)

Disciplined

Pricing and fee margin

Improving

Cost / income ratio³

Managing with-profit portfolio for capital release

Run-off with active portfolio management actions

Liability development

Prudent balance sheet management enabling strong shareholder returns

€500m

Cumulative ordinary dividend
(2024-2026)

Upside potential from excess capital distributions

170-200%

Solvency II ratio
(medium-term)

Note: (1) Based on Client AuM, i.e. excluding AuM from With-profit and Large Mandates. (2) Based on annualised net flow and beginning of period AuM. (3) Related to investment & asset management fee income and expenses.

Q&A

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