



# Q4

## FINANCIAL STATEMENT RELEASE

January-December 2024  
13th of February 2025

# Table of contents

<b>A strong year 2024: Mandatum's assets under management rose to EUR 14 billion, record-high net flow close to EUR 1 billion</b>	<b>3</b>
October–December 2024 in brief	3
January–December 2024 in brief	3
Dividend proposal	3
Outlook for 2025	3
Key figures	4
Financial targets	4
<b>CEO's comment</b>	<b>5</b>
<b>Market environment</b>	<b>7</b>
October–December 2024	7
January–December 2024	7
<b>Result for October–December 2024</b>	<b>9</b>
<b>Result for January–December 2024</b>	<b>10</b>
<b>Business areas</b>	<b>12</b>
Institutional & wealth management	13
Corporate clients	15
Retail clients	17
With-profit business	19
<b>Solvency</b>	<b>22</b>
Group solvency	22
Organic capital generation	23
Financial leverage position	24
<b>Key events</b>	<b>25</b>
<b>Other information</b>	<b>26</b>
Ratings	26
Shares and shareholders	26
Dividend proposal	26
Remuneration / Incentive schemes	27
Composition of the Board of Directors	27
Group Management Team	27
Changes in management	27
Personnel	27
Sustainability	28
Major risks and uncertainties for the Group	30
Events after the end of the reporting period	31
Calculation formulas	33
Conference call	34
<b>Tables</b>	<b>35</b>
<b>Accounting policies for financial statement release</b>	<b>40</b>
Accounting policies requiring management judgement and key sources of estimation uncertainties	40
New accounting policies applied from 1 Jan 2024	40
<b>Notes</b>	<b>42</b>

# A strong year 2024: Mandatum's assets under management rose to EUR 14 billion, record-high net flow close to EUR 1 billion

## October–December 2024 in brief

- Net flow increased by 86% to EUR 391.5 (10–12/2023: 209.9) million.
- Fee result grew by 39% to 18.6 (13.4) million.
- Net finance result was 23.7 (24.9) million.
- Result related to risk policies decreased to 2.2 (8.0) million.
- Profit before taxes decreased by 24% to EUR 35.1 (46.3) million. The decrease from the comparison period was mainly due to updates in actuarial assumptions and higher interest expenses of Group loans.
- Earnings per share (EPS) was EUR 0.07 (0.06) and organic capital generation (OCG) per share was EUR 0.10.

## January–December 2024 in brief

- Client assets under management (AuM) increased by 17% from the previous year and amounted to EUR 14.0 (31 Dec 2023: 11.9) billion. Net flow increased by 30% to EUR 983.1 (753.8) million.
- Fee result increased by 27% to EUR 66.6 (52.6) million.
- Cost/income ratio related to client AuM<sup>2</sup> decreased by 8 p.p. and thus improved to 58 (66)%.
- Net finance result was EUR 135.6 (148.6) million.
- Result related to risk policies was EUR 25.4 (17.9) million.
- Profit before taxes decreased by 4% to EUR 202.9 (210.4) million.
- Earnings per share (EPS) was EUR 0.33 (0.32) and organic capital generation (OCG) per share was EUR 0.44 (0.54).
- Solvency II ratio was 210.4 (31 Dec 2023: 221.4)%.

## Dividend proposal

The Mandatum Board of Directors proposes to pay a dividend of EUR 0.66 per share for 2024 (2023: 0.33). This consist of a EUR 0.33 dividend per share according to the dividend policy, as well as an extra dividend of EUR 0.33 per share. Mandatum's Annual General Meeting will decide on the dividend distribution on 15 May 2025.

## Outlook for 2025

- The fee result is expected to increase from year 2024 provided that the market environment remains stable. While Mandatum has been able to maintain disciplined pricing and stable fee margins within capital-light customer segments during years 2022, 2023 and 2024, the fee result for year 2025 is dependent on several factors, such as client behaviour and client asset allocation, competition and capital market conditions.



- The with-profit portfolio is expected to decrease further. Value changes of the investments and insurance contract liabilities in the with-profit portfolio can create relatively high volatility in the net finance result due to changes in the market environment.
- In addition, and as typical for the industry, the overall results of Mandatum will be impacted by actuarial assumptions that are updated from time to time.

## Key figures

EUR million	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
Fee result	18.6	13.4	39%	66.6	52.6	27%
Net finance result*	23.7	24.9	-5%	135.6	148.6	-9%
Result related to risk policies	2.2	8.0	-73%	25.4	17.9	42%
Other result	-9.4	0.0	n.m.	-24.7	-8.7	n.m.
<b>Profit before taxes for the period</b>	<b>35.1</b>	<b>46.3</b>	<b>-24%</b>	<b>202.9</b>	<b>210.4</b>	<b>-4%</b>
Earnings per share, EUR	0.07	0.06	12%	0.33	0.32	3%
Equity per share, EUR	–	–	–	3.19	3.19	0%
Net flow	391.5	209.9	86%	983.1	753.8	30%
Organic capital generation per share, EUR	0.10	n.a.	n.a.	0.44	0.54	-19%
Return on equity-% <sup>1</sup>	8.3%	7.1%	1.2 p.p.	10.3%	9.8%	0.5 p.p.
Cost/Income ratio related to client AuM, % <sup>2</sup>	–	–	–	58%	66%	-8 p.p.

EUR million	31 Dec 2024	31 Dec 2023	Change, %
Client assets under management (AuM)	13,957	11,892	17%
Solvency ratio, %	210.4%	221.4%	-11.0 p.p.

1) Annualised

2) Trailing twelve months

\* Mandatum has changed the Finnish terminology used in its financial reporting. The Finnish translation of the net finance result will be changed from 'sijoitustoiminnan tulos' to 'nettorahoitustulos'. The corresponding English term remains unchanged. The purpose of this change is to harmonise the term with the English equivalent and to clarify the distinction between the investment return and the net finance result.

## Financial targets

Target	1–12/2024 (1–12/2023)
<b>GROUP-LEVEL TARGETS</b>	
Dividend	Mandatum aims to distribute cumulative dividends of EUR 500 million during 2024–2026. In May 2024, the Annual General Meeting approved the proposal made by the Board of Directors to distribute a dividend of EUR 166 million in total for the year 2023. The proposed dividend to be paid in spring 2025 is EUR 332 million for the year 2024.
Solvency	Over the medium term, Mandatum aims for a solvency ratio between 170% and 200%. 210.4 (221.4)% as at 31 Dec 2024.
<b>BUSINESS AREA SPECIFIC TARGETS</b>	
<b>Business related to the management of client assets:</b>	
Annual net flow	In the medium term, Mandatum aims for a net flow of 5% of client AuM <sup>1</sup> . Mandatum's net flow in 2024 amounted to EUR 983.1 (753.8) million, 8% of client AuM.
Fee margin <sup>2</sup>	Mandatum aims for development of fee margins based on disciplined pricing. Mandatum's fee margin in 2024 was 1.2 (1.2)%.
Cost/income ratio (%) <sup>2</sup>	Mandatum aims to improve the cost/income ratio of managing client AuM. Mandatum's cost/income ratio related to client AuM in 2024 was 58 (66)%.
<b>With-profit business:</b>	
Insurance contract liability development	Mandatum aims for with-profit portfolio run-off with active portfolio management actions. The with-profit insurance contract liability decreased by EUR 170.6 million to EUR 2,256.0 (2,426.4) million.

1) Based on client assets under management (AuM) at the beginning of the period. 2) Trailing twelve months.



## CEO's comment

I am pleased with Mandatum's performance in 2024. Profit before taxes, EUR 203 million, was close to the previous year's level, while the fee result, which is key to Mandatum's strategy, rose 27 per cent from the previous year to EUR 67 million. The Group's client assets under management grew 17 per cent to EUR 14 billion. In addition, we achieved an annual net flow of close to a billion euros. It is an achievement that I am particularly proud of considering the current market situation. We also clearly exceeded our 5 per cent net flow target: the net flow for the year was more than 8 per cent of our assets under management.

Continuous growth in fee income-generating institutional and private wealth management as well as pension, savings and risk insurance products is one of our key goals, and we succeeded in this beyond our expectations last year. The relative share of the Group's result from Institutional and wealth management, Corporate and Retail businesses increased from 30 per cent in 2023 already to 43 per cent. Assets under



### We achieved an annual net flow of close to a billion euros.

management grew the most in Institutional and wealth management and particularly among international clients, which testifies not only to huge market potential, but also to the appeal of our investment products abroad. Our award-winning fixed income and credit products, such as the Nordic High Yield Fund, which invests in corporate bonds with higher return expectations, and senior loan and private debt products, are good examples of leading industry expertise, which is in high demand also abroad. International institutional assets under management grew last year by as much as 67 per cent and we succeeded in acquiring the first clients also outside the Nordics, in Central Europe. In private wealth management, net subscriptions to allocation products, in particular, grew in line with our expectations. Also, the income from Mandatum Trader online trading service and number of users continued to grow. We have succeeded in increasing the market share in all of the client segments of the Institutional and wealth management business area.

Also the Corporate and Retail clients businesses performed well last year. We continue to be the clear market leader in corporate supplementary pension products and personnel funds, and we hold a strong position also in risk life insurance. In the big picture, Finns are still underinsured and only just waking up to the current situation: It is wise – if not imperative – to prepare personally for retirement well ahead of time, if you are unwilling to compromise your standard of living when you retire. Remuneration, on the other hand, is an effective means for companies to motivate and show appreciation for key personnel, and a clear advantage in the competition for the best talents. In the Retail clients business, the past year was game changing, as the good collaboration with Danske Bank began to bear fruit. Investment sales grew clearly and more loan insurance policies were sold than in the previous year.

### Clear improvement in the cost/income ratio

Mandatum set several longer-term financial targets in connection with its listing. These included disciplined pricing, a declining cost/income ratio, active contraction of the with-profit portfolio and an annual net flow of more than 5 per cent of assets under management. We achieved each of these targets in 2024. Especially our cost/income ratio, which declined by 8 percentage points from the comparison year, is clear proof of the scalability of our business: our income is growing clearly faster than our costs. Furthermore, Mandatum is still a highly capitalised company and our solvency ratio of 210 per cent is above the 170–200

per cent target. Since Mandatum's business developed excellently during 2024, and it soon has been almost two years since the listing, we will re-evaluate our longer-term financial targets in connection with our Capital Markets Day arranged in June.

We wish to be an attractive dividend payer to our more than 200,000 shareholders. A good investment result with moderate risk and profitable growth in capital-light business, together with the capital released from the with-profit business, lay a solid foundation for an attractive dividend flow. As our liquidity position and dividend payment ability developed better than we expected last year, Mandatum's Board of Directors has decided to propose to the Annual General Meeting an extra dividend of EUR 0.33 per share in addition to the EUR 0.33 per share based on our dividend policy for 2024. This translates to a total dividend payout of EUR 0.66 per share for 2024.

The core of our growth strategy, the Institutional and wealth management business, ranked as the top institutional asset manager in the category of large companies among more than a hundred Finnish institutional investors in SFR Research's survey at the end of the year. At the same time, the Net Promoter Score (NPS) for all client groups for the past year was 78.5, a figure that stands up to the most demanding comparisons. Mandatum has also performed very well in recent Sustainalytics, MSCI and ISS sustainability ratings. We are now in the low ESG risk category in the latest Sustainalytics ESG rating. Among companies in its own industry, Mandatum's result ranks among the top two per cent.

Success in the various indicators is proof of our clients' confidence in us and of Mandatum's exceptionally competent personnel. I would like to offer my sincerest thanks to both our clients and everyone at Mandatum for another successful year. Our ambitious work has enabled us to make Mandatum a global player, whose strong expertise produces results.

**Petri Niemisvirta**

Chief Executive Officer



# Market environment

## October–December 2024

### GENERAL ECONOMIC AND MARKET ENVIRONMENT

- Global economic growth remained relatively strong, with the USA in the lead. In contrast, growth on the European and emerging markets was muted.
- The decline in inflation decelerated during the end of the year, especially in the USA, and weakened the market's rate cut expectations for 2025.
- The European Central Bank is expected to further cut its rates during the spring 2025.

### FIXED INCOME MARKET

- Interest rates took an upward turn in both the USA and Europe in the last quarter of the year, driven by rising inflation expectations and the market's reduced expectations of rate cuts.
- With long-term interest rates rising, yield curves also steepened.
- Credit spreads continued to fall in both the USA and Europe, driving returns on corporate bond investments.
- At their current level, credit spreads are fairly low in relation to their historical levels, particularly in the USA.

### EQUITY MARKET

- The equity markets' strong year continued but there was significant dispersion between different markets. US equities rose clearly as the uncertainty linked to the presidential election in November waned. In other parts of the world, the end of the year was more even. The return on Finnish equities remained subdued once again.
- Equity market returns were still largely driven by major US tech companies. There were sporadic indications of rotation into other sectors.

## January–December 2024

### GENERAL ECONOMIC AND MARKET ENVIRONMENT

- Economic growth continued in the USA in 2024. In contrast, Europe's economic growth was sluggish. The growth was driven by the service sector, with a more subdued mood in industrials.
- The USA is expected to continue as a driver of global growth in 2025, especially if the political measures of the new administration do not undermine the economic outlook.
- Inflation slowed during 2024, in both the USA and Europe, but in particular in the USA, the inflation outlook took an upward trend at year end. The central banks began to cut interest rates in the summer, following the lead of the European Central Bank.
- Accelerating inflation and a strong economic outlook are keeping the market's rate cut expectations low in the USA, while the European Central Bank is anticipated to cut interest rates also in spring 2025.

### FIXED INCOME MARKET

- Interest rate volatility continued in 2024 in spite of expectations. The year began with expectations of commencing rate cuts, especially in the USA, but as the outlook shifted, market rates rose early in the year. Interest rates began to fall in the summer, but rose again during the latter part of the year as inflation accelerated.
- Credit spreads fell during 2024, in both Europe and the USA. This led to strong corporate bond returns during the year.
- Historically, credit spreads are fairly low, particularly in the USA.



## EQUITY MARKET

- The return on the global equity markets was extremely strong, just like in 2023. Geographically, the returns yet again focused on the USA. In Europe and the emerging markets, returns were also fairly strong. Once again, the return on Finnish equities remained subdued.
- AI remained the theme on the equity market, as a result of which US tech companies were the year's biggest winners. The year saw momentary rotation also into sectors that had experienced weaker returns in earlier years, but there was no definitive change during 2024.



# Result for October–December 2024

Mandatum Group's profit before taxes for October–December 2024 was EUR 35.1 (46.3) million. The decrease was mainly due to updates in actuarial assumptions, which impacted the result by approximately EUR 6 million in total, and higher interest expenses of Group loans.

The fee result increased by 39 per cent and amounted to EUR 18.6 (13.4) million. The increase was driven by higher client assets under management and improved cost-efficiency. The client assets under management increased by 5 per cent during the quarter and 17 per cent from the previous year, and amounted to EUR 14.0 (11.9) billion. The net flow for the quarter amounted to EUR 391.5 (209.9) million, an increase of 86 per cent from the comparison period.

The Group's net finance result was EUR 23.7 (24.9) million. The net finance result of the with-profit business was EUR 10.5 (19.1) million. The investment return on the original with-profit portfolio was below average at 0.3 (4.1) per cent in the fourth quarter, and the investment return on the segregated portfolio was 1.0 (3.8) per cent. Due to this the investment returns of the with-profit business decreased to EUR 13.2 (163.6) million. The discount rate of the insurance contract liabilities increased slightly in the fourth quarter while in the comparison period discount rate decreased materially. Respectively, the finance expense on insurance contract liabilities decreased to EUR -2.8 (-144.5) million. During the comparison period, the decreased discount rate increased the finance expense. The other investment return of Mandatum Group amounted to EUR 13.2 (5.8) million, including EUR 16 million dividend from Saxo Bank.

The result related to risk policies for the quarter was EUR 2.2 (8.0) million. The result decreased due to the higher release of contractual service margin (CSM) and risk adjustment (RA) in the comparison period, partly due to the insurance portfolio sold and transferred to If in 2024.

The Group's other result decreased from the comparison period to EUR -9.4 (0.0) million. The decrease was due to higher interest expenses of Group loans and lower insurance service result of the with-profit segment due to exceptionally high release of contractual service margin (CSM) in the comparison period.

The net profit for the period increased to EUR 32.9 (29.2) million despite a decrease in profit before taxes. The effective tax rate for the quarter decreased to 6 (37) per cent due to tax refunds, among others.

EUR million	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
<b>Fee result</b>	<b>18.6</b>	<b>13.4</b>	<b>39%</b>	<b>66.6</b>	<b>52.6</b>	<b>27%</b>
Insurance service result	7.1	8.7		30.1	31.3	
Fee result from investment and asset management services	11.5	4.7		36.5	21.3	
<b>Net finance result</b>	<b>23.7</b>	<b>24.9</b>	<b>-5%</b>	<b>135.6</b>	<b>148.6</b>	<b>-9%</b>
Investment return	26.5	169.4		211.5	317.8	
Unwinding and discounting of liabilities	-2.8	-144.5		-75.9	-169.1	
<b>Result related to risk policies</b>	<b>2.2</b>	<b>8.0</b>	<b>-73%</b>	<b>25.4</b>	<b>17.9</b>	<b>42%</b>
CSM <sup>1</sup> and RA <sup>2</sup> release	2.1	7.6		25.9	26.1	
Other insurance service result	0.1	0.4		-0.5	-8.2	
<b>Other result</b>	<b>-9.4</b>	<b>0.0</b>	<b>n.a</b>	<b>-24.7</b>	<b>-8.7</b>	<b>n.a</b>
<b>Profit before taxes for the period</b>	<b>35.1</b>	<b>46.3</b>	<b>-24%</b>	<b>202.9</b>	<b>210.4</b>	<b>-4%</b>

1) CSM, contractual service margin

2) RA, risk adjustment

# Result for January–December 2024

Mandatum Group's profit before taxes for the year under review was EUR 202.9 (210.4) million.

The fee result for the year under review increased by 27 per cent and was EUR 66.6 (52.6) million. The increase in the fee result was mainly a result of the increase in client assets. Client assets under management increased by 17 per cent from last year and amounted to EUR 14.0 (11.9) billion. The increase in client assets under management was driven by a net flow of EUR 983.1 (753.8) million and a positive return on investments related to client assets under management. The most significant part of the increase came from the Institutional and wealth management business area, where all client segments, the international clients in particular, contributed to the growth.

The fee margin on client assets remained at 1.2 (1.2) per cent level. The cost/income ratio improved by 8 percentage points year-on-year to 58 (66) per cent as client assets under management increased and the costs remained stable.

The Group's net finance result was EUR 135.6 (148.6) million. The net finance result of the with-profit business decreased to EUR 100.4 (137.8) million. The investment return on the original with-profit portfolio was 4.3 (7.8) per cent, and the investment return on the segregated portfolio 5.0 (8.5) per cent. Thus, the return on investments decreased to EUR 176.3 (307.0) million. Finance expense on insurance contract liabilities totalled EUR -75.9 (-169.1) million. The change in the discount rate was minor during the year, and the unwinding cost dominated the finance expense. During the comparison period, the decreased discount rate increased the finance expense. The other investment return of the Mandatum Group amounted to EUR 35.2 (10.8) million.

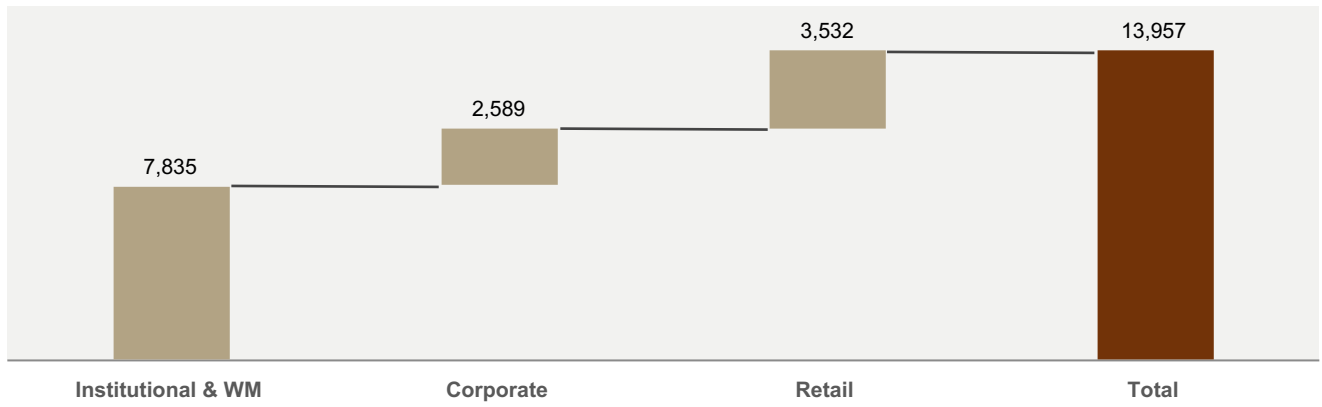
The result related to risk policies was EUR 25.4 (17.9) million. Of this, EUR 10.7 (6.8) million was related to the previously announced portfolio transfer to If during 2024. In addition, among others, positive claim and expense development supported the result.

The other result decreased to EUR -24.7 (-8.7) million. The decrease is explained mainly by the parent company Mandatum Plc's expenses which did not exist fully on the comparison period as Mandatum was listed in October 2023, higher financing costs and lower contractual service margin (CSM) release under with-profit segment compared to comparison period. This item includes also the result related to other services than insurance and asset management services.

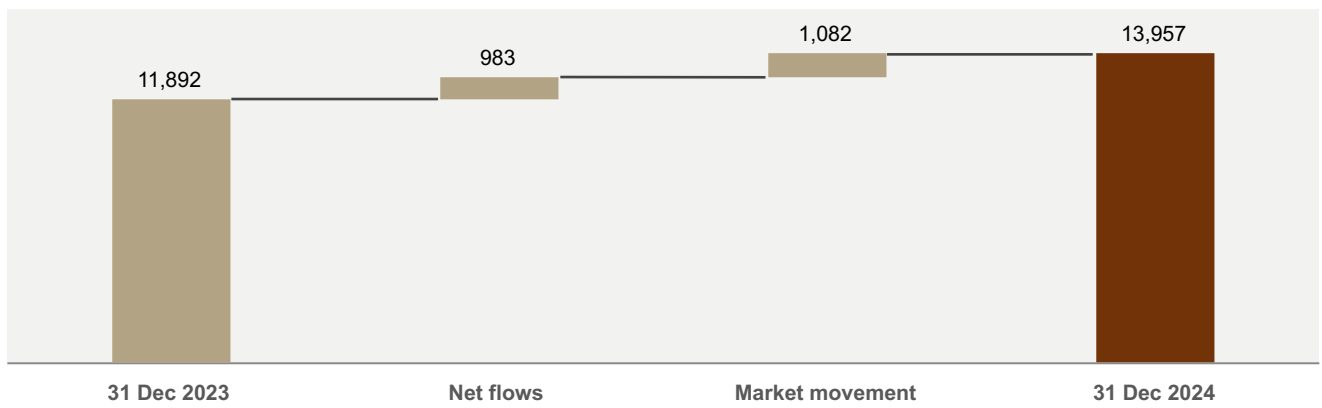
The net profit for the period increased to EUR 164.9 (160.5) million despite a decrease in profit before taxes. The effective tax rate for the year under review decreased to 19 (24) per cent due to tax refunds, among others.

Mandatum's solvency ratio was 210.4 (221.4) per cent as at 31 December 2024. The solvency ratio before proposed dividend distribution improved during the reporting period due to the strong financial result and Tier 2 loan emitted by Mandatum Life Insurance Company Limited.

**Mandatum client assets under management 31 Dec 2024 (EUR million)**



**Development of client assets managed by Mandatum after 31 Dec 2023 (EUR million)**



# Business areas

## Result by business area

1 Jan–31 Dec 2024

EUR million	Institutional & wealth management	Corporate clients	Retail clients	With-profit	Eliminations and items not allocated to the segments	Group
<b>Fee result</b>	<b>26.3</b>	<b>22.7</b>	<b>17.7</b>	–	–	<b>66.6</b>
Insurance service result	–	19.9	10.2	–	–	30.1
Fee result from investment and asset management services	26.3	2.8	7.4	–	–	36.5
<b>Net finance result</b>	–	–	–	<b>100.4</b>	<b>35.2</b>	<b>135.6</b>
Investment return	–	–	–	176.3	35.2	211.5
Unwinding and discounting of liabilities	–	–	–	-75.9	–	-75.9
<b>Result related to risk policies</b>	–	<b>13.2</b>	<b>12.2</b>	–	–	<b>25.4</b>
CSM <sup>1</sup> and RA <sup>2</sup> release	–	13.2	12.7	–	–	25.9
Other insurance service result	–	0.0	-0.5	–	–	-0.5
<b>Other result</b>	<b>0.4</b>	<b>-4.9</b>	<b>0.2</b>	<b>15.9</b>	<b>-36.4</b>	<b>-24.7</b>
<b>Profit before taxes for the period</b>	<b>26.7</b>	<b>31.0</b>	<b>30.1</b>	<b>116.3</b>	<b>-1.2</b>	<b>202.9</b>

1 Jan–31 Dec 2023

EUR million	Institutional & wealth management	Corporate clients	Retail clients	With-profit	Eliminations and items not allocated to the segments	Group
<b>Fee result</b>	<b>19.7</b>	<b>14.7</b>	<b>18.2</b>	–	–	<b>52.6</b>
Insurance service result	–	15.2	16.1	–	–	31.3
Fee result from investment and asset management services	19.7	-0.5	2.0	–	–	21.3
<b>Net finance result</b>	–	–	–	<b>137.8</b>	<b>10.8</b>	<b>148.6</b>
Investment return	–	–	–	307.0	10.8	317.8
Unwinding and discounting of liabilities	–	–	–	-169.1	–	-169.1
<b>Result related to risk policies</b>	–	<b>8.1</b>	<b>9.8</b>	–	–	<b>17.9</b>
CSM <sup>1</sup> and RA <sup>2</sup> release	–	15.7	10.5	–	–	26.1
Other insurance service result	–	-7.5	-0.7	–	–	-8.2
<b>Other result</b>	<b>-0.4</b>	<b>-5.0</b>	<b>-2.7</b>	<b>21.9</b>	<b>-22.5</b>	<b>-8.7</b>
<b>Profit before taxes for the period</b>	<b>19.4</b>	<b>17.8</b>	<b>25.3</b>	<b>159.7</b>	<b>-11.7</b>	<b>210.4</b>

1) CSM, contractual service margin

2) RA, risk adjustment



## Institutional & wealth management

*Mandatum provides comprehensive wealth and asset management services to its clients, which include Finnish and Nordic institutional investors, corporations, and high net worth private individuals.*

- Client assets under management amounted to EUR 7.8 (6.4) billion as at 31 December 2024 – an increase of 8% for the fourth quarter and 22% from the previous year. Positive net flow contributed to the growth.
- International institutional assets under management totalled EUR 1.7 (1.0) billion and increased by 67% from the previous year. Growth occurred mainly in Denmark and Sweden, but new customers were also acquired from Central Europe.
- Net flow grew from the previous year and amounted to EUR 399.1 (231.6) million for the fourth quarter and EUR 911.6 (739.7) million for the year. All client segments (international, institutional and private wealth management) contributed to the growth in net flow. A majority of the net flow came to credit products and allocation mandates and products.
- Mandatum Asset Management ranked as the top institutional asset manager in the category of large companies in the Scandinavian Financial Research's "Institutional Investment Services 2024" survey.
- Customer satisfaction in Institutional and wealth management continued to improve and was at a record high level, NPS 76.4 (73.8).

### RESULT OF THE INSTITUTIONAL AND WEALTH MANAGEMENT BUSINESS AREA

Profit before taxes for the fourth quarter in the Institutional and wealth management business area amounted to EUR 8.6 (4.0) million. The fee result was EUR 8.4 (4.5) million driven by lower costs and the growth of assets under management. The growth in client assets under management was relatively strong in all client segments, most notably among international institutions, 67 per cent, and ultra-high-net-worth clients, 24 per cent. On a product level, the client assets under management grew the most in credit products, 38 per cent, and allocation mandates and products, 29 per cent. The growth of the Institutional and wealth management segment was supported by continued close cooperation between corporate sales and wealth management.

For the year under review, the profit before taxes amounted to EUR 26.7 (19.4) million, and the fee result EUR 26.3 (19.7) million. The fee result was driven by increased assets under management.

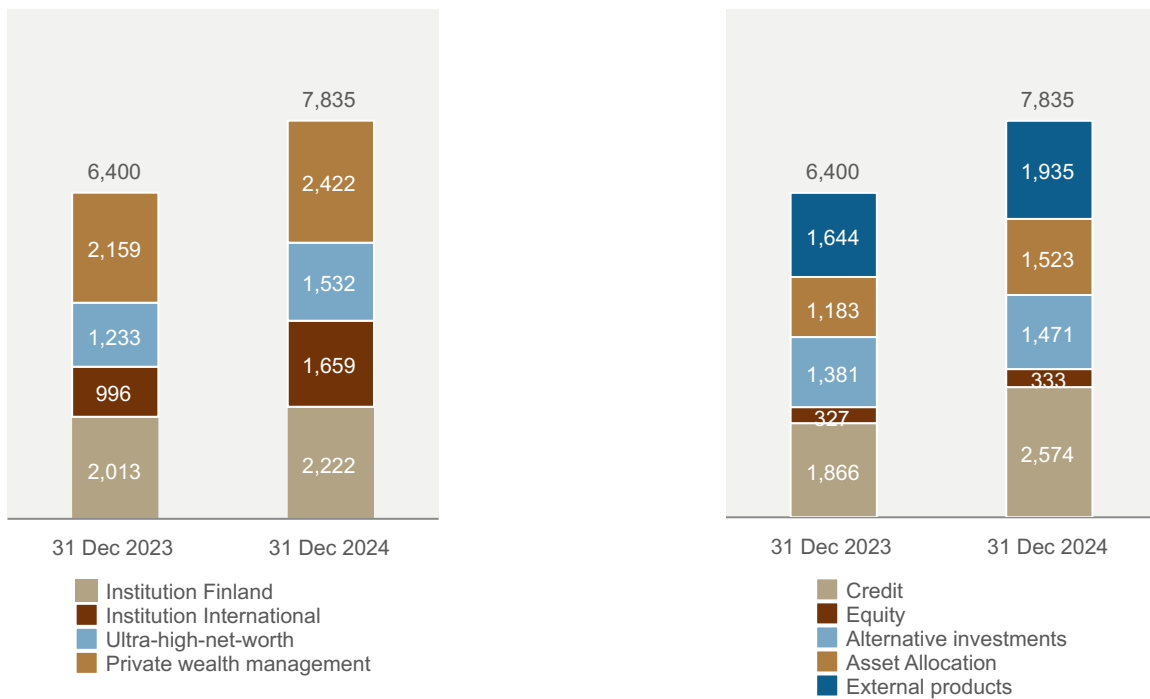
The net flow for the fourth quarter was EUR 399.1 (231.6) million and EUR 911.6 (739.7) million for the year. All client segments (international, institutional and private wealth management) contributed to the growth in net flow. The business area's assets under management grew by EUR 1.4 billion during the year under review and amounted to EUR 7.8 (6.4) billion.

EUR million	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
<b>Fee result</b>	<b>8.4</b>	<b>4.5</b>	<b>88%</b>	<b>26.3</b>	<b>19.7</b>	<b>33%</b>
Insurance service result	–	–		–	–	
Fee result from investment and asset management services	8.4	4.5		26.3	19.7	
<b>Net finance result</b>	<b>–</b>	<b>–</b>	<b>n.a</b>	<b>–</b>	<b>–</b>	<b>n.a</b>
Investment return	–	–		–	–	
Unwinding and discounting of liabilities	–	–		–	–	
<b>Result related to risk policies</b>	<b>–</b>	<b>–</b>	<b>n.a</b>	<b>–</b>	<b>–</b>	<b>n.a</b>
CSM <sup>1</sup> and RA <sup>2</sup> release	–	–		–	–	
Other insurance service result	–	–		–	–	
<b>Other result</b>	<b>0.2</b>	<b>-0.4</b>	<b>n.a</b>	<b>0.4</b>	<b>-0.4</b>	<b>n.a</b>
<b>Profit before taxes for the period</b>	<b>8.6</b>	<b>4.0</b>	<b>113%</b>	<b>26.7</b>	<b>19.4</b>	<b>38%</b>

1) CSM, contractual service margin; 2) RA, risk adjustment



**Client assets under management for Institutional and wealth management by client segment and product (EUR million)**



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.



## Corporate clients

*Mandatum serves corporate clients in two main segments: large and medium-sized clients and entrepreneur-driven clients. For small businesses and entrepreneurs, Mandatum primarily offers preparing and prospering services, while for large and medium-sized companies the focus is on incentive schemes and compensation, including personal and pension insurance and personnel funds.*

- Client assets under management amounted to EUR 2.6 (2.3) billion as at 31 December 2024 – an increase of 3% for the fourth quarter and 14% from the previous year. The unit-linked pensions' share of the client assets under management was EUR 2.24 (2.02) billion and the personnel funds' share was EUR 0.35 (0.26) billion.
- Net flow increased and was EUR 25.9 (19.9) million for the fourth quarter and EUR 95.7 (89.5) million for the year. Especially personnel funds supported the growth in net flow.
- Fee result composed of unit-linked pensions increased from the previous year supported by growth of client assets under management and cost-efficiency, and was EUR 6.2 (4.9) million for the fourth quarter and EUR 22.7 (14.7) million for the year.
- Premiums written related to risk policies remained relatively stable and amounted to EUR 5.0 (4.9) million for the fourth quarter and EUR 33.8 (32.9) million for the year.
- Number of new personnel funds established during the year was 50 (52).
- Customer satisfaction in Corporate clients remained at an excellent level, NPS 84.3 (84.2).

### RESULT OF THE CORPORATE CLIENTS BUSINESS AREA

Profit before taxes for the fourth quarter in the Corporate client business area amounted to EUR 8.3 (10.1) million. The fee result for the quarter was EUR 6.2 (4.9) million and it was driven by increased client assets while costs remained stable. The result related to risk policies for the quarter was EUR 2.0 (5.5) million and its decrease is due to the previously communicated insurance portfolio transferred to If during 2024, as well as the actuarial assumption updates made during the quarter.

For the year under review, the profit before taxes amounted to EUR 31.0 (17.8) million. The full year fee result increased to EUR 22.7 (14.7) million. The fee result was supported by approximately EUR 5 million higher contractual service margin (CSM) release and increase in client assets. The result related to risk policies for the year increased to EUR 13.2 (8.1) million. The result related to risk policies improved compared to previous year due to better correlation of realised operating expenses and paid claims compared to expected operating expenses and claims.

The net flow for the fourth quarter was EUR 25.9 (19.9) million and EUR 95.7 (89.5) million for the year. The net flow grew mainly in personnel funds. The net flow and positive market changes increased client assets under management by EUR 0.3 billion during the year to EUR 2.6 (2.3) billion. The share of unit-linked pensions of the client assets under management was EUR 2.24 (2.02) billion and the share of personnel funds was EUR 0.35 (0.26) billion.

EUR million	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
<b>Fee result</b>	<b>6.2</b>	<b>4.9</b>	<b>26%</b>	<b>22.7</b>	<b>14.7</b>	<b>54%</b>
Insurance service result	4.6	3.7		19.9	15.2	
Fee result from investment and asset management services	1.5	1.1		2.8	-0.5	
<b>Net finance result</b>	<b>–</b>	<b>–</b>	<b>n.a</b>	<b>–</b>	<b>–</b>	<b>n.a</b>
Investment return	–	–		–	–	
Unwinding and discounting of liabilities	–	–		–	–	
<b>Result related to risk policies</b>	<b>2.0</b>	<b>5.5</b>	<b>-64%</b>	<b>13.2</b>	<b>8.1</b>	<b>63%</b>
CSM <sup>1</sup> and RA <sup>2</sup> release	1.2	5.5		13.2	15.7	
Other insurance service result	0.8	0.0		0.0	-7.5	
<b>Other result</b>	<b>0.2</b>	<b>-0.3</b>	<b>n.a</b>	<b>-4.9</b>	<b>-5.0</b>	<b>3%</b>
<b>Profit before taxes for the period</b>	<b>8.3</b>	<b>10.1</b>	<b>-18%</b>	<b>31.0</b>	<b>17.8</b>	<b>74%</b>

1) CSM, contractual service margin

2) RA, risk adjustment



## Retail clients

*Mandatum offers investment solutions and personal insurance to retail clients. Danske Bank is the main distribution channel for solutions for retail clients. The services are also available directly through Mandatum's own sales force and digital channels. Mandatum also has selected partnerships with organisations, for example.*

- Client assets under management amounted to EUR 3.5 (3.2) billion as at 31 December 2024 – an increase of 1% for the fourth quarter and 10% from the previous year.
- Good cooperation with Danske Bank continued: investment and loan insurance sales remained strong and continued to clearly outperform the previous year.
- Net flow was EUR -33.4 (-41.5) million for the fourth quarter. Net flow improved to EUR -24.2 (-75.4) million for the year.
- Income from Mandatum Trader online trading service and number of users continued to grow.
- Customer satisfaction in Retail clients continued to improve and was at a high level, NPS 71.3 (67.8).

### RESULT OF THE RETAIL CLIENTS BUSINESS AREA

Profit before taxes for the fourth quarter in the Retail client business area amounted to EUR 4.1 (5.9) million. The fee result for the quarter remained stable at EUR 4.1 (4.1) million. Growth in client assets compensated for the negative result impact of the technical portfolio re-classification done in early 2024. The result related to risk policies for the quarter decreased to EUR 0.2 (2.4) million. The decrease was mainly due to a profit of approximately EUR 2 million included in the comparison period's result related to the insurance portfolio transferred to If in September 2024, as well as the normal fluctuation in operating expenses.

For the year under review, the profit before taxes grew to EUR 30.1 (25.3) million. The full year fee result of EUR 17.7 (18.2) million was nearly on the previous year's level. The result was impacted by the technical portfolio re-classification done in early 2024, but it was supported by lower costs. The result related to risk policies for the year increased to EUR 12.2 (9.8) million. The increase was due to the higher release of the contractual service margin (CSM) compared to the previous year and due to the allocation of the result from the insurance portfolio transferred to If in September 2024.

The net flow for the fourth quarter was EUR -33.4 (-41.5) million, of which the share of investment contracts was EUR -0.4 (-13.5) million and share of pension contracts was EUR -33.1 (-28.0) million. The following year's pension payments are booked on the last quarter of the year as an outflow, turning the fourth quarter net flow negative. The net flow for the year under review improved to EUR -24.2 (-75.4) million, of which the share of investment contracts was EUR 2.2 (-57.7) million and pension contracts was EUR -26.4 (-17.7) million. The positive development of net flow was supported by good cooperation with Danske Bank. Positive market development increased the client assets under management by EUR 0.3 billion during the year to EUR 3.5 (3.2) billion. Investment contracts' share of assets under management was EUR 2.3 (2.1) billion and pension contracts' share was EUR 1.3 (1.2) billion.

EUR million	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
<b>Fee result</b>	<b>4.1</b>	<b>4.1</b>	<b>-1%</b>	<b>17.7</b>	<b>18.2</b>	<b>-3%</b>
Insurance service result	2.5	5.0		10.2	16.1	
Fee result from investment and asset management services	1.6	-0.9		7.4	2.0	
<b>Net finance result</b>	<b>–</b>	<b>–</b>	<b>n.a</b>	<b>–</b>	<b>–</b>	<b>n.a</b>
Investment return	–	–		–	–	
Unwinding and discounting of liabilities	–	–		–	–	
<b>Result related to risk policies</b>	<b>0.2</b>	<b>2.4</b>	<b>-92%</b>	<b>12.2</b>	<b>9.8</b>	<b>25%</b>
CSM <sup>1</sup> and RA <sup>2</sup> release	0.9	2.0		12.7	10.5	
Other insurance service result	-0.7	0.4		-0.5	-0.7	
<b>Other result</b>	<b>-0.2</b>	<b>-0.7</b>	<b>73%</b>	<b>0.2</b>	<b>-2.7</b>	<b>n.a</b>
<b>Profit before taxes for the period</b>	<b>4.1</b>	<b>5.9</b>	<b>-30%</b>	<b>30.1</b>	<b>25.3</b>	<b>19%</b>

1) CSM, contractual service margin

2) RA, risk adjustment

## With-profit business

*The with-profit business area includes the management of the with-profit insurance portfolio and management of assets covering the with-profit liabilities and assets covering Mandatum Life's shareholders' equity. The target for investments is to generate returns above the insurance contract liabilities requirements at moderate risk, while at the same time a decreasing insurance portfolio releases capital.*

- The fourth quarter investment return of 0.3% was below previous quarters' level, but still exceeded the corresponding finance expense on insurance contract liabilities.
- Fixed income investments mark-to-market yield at year end exceeds the year 2025 unwinding rate by 2.3 (2.3) percentage points.
- Money market allocation decreased to the normal level, 12.8 (24.3) per cent, - no other material changes in asset allocation.
- The with-profit insurance portfolio decreased in line with expectations.

### RESULT OF THE WITH-PROFIT BUSINESS AREA

Profit before taxes for the fourth quarter in the With-profit business area amounted to EUR 13.2 (30.2) million. The net finance result decreased by EUR 8.6 million from EUR 19.1 million to EUR 10.5 million. The discount rate of the insurance contract liabilities increased slightly in the fourth quarter while in the comparison period discount rate decreased materially. Due to this the finance expense on the insurance contract liabilities EUR -2.8 (-144.5) million was EUR 141.7 million lower than in the comparison period. Respectively the investment return EUR 13.2 million was below comparison period EUR 163.6 million return. Real estate asset values decreased by EUR 6.0 million which decreased the investment return of the fourth quarter. The other result of the segment decreased to EUR 2.7 (11.2) million as the comparison period included exceptionally large one-off result impact caused by updates to the actuarial assumptions.

For the year under review, the profit before taxes amounted to EUR 116.3 (159.7) million. The impact of discount rate movement of the insurance contract liabilities was minor on a full year level, and therefore, the finance expense on the insurance contract liabilities consisted mostly on the unwinding cost. For the comparison year, the decrease in the discount rate increased the finance expense on the insurance contract liabilities. The finance expense on the insurance contract of liabilities for the year under review decreased to EUR -75.9 (-169.1) million. The investment return was EUR 176.3 (307.0) million. Hence, the pre-tax net finance result totalled EUR 100.4 (137.8) million for the year.

The assets covering the original insurance contract liabilities and equity as at the end of year under review amounted to EUR 3.0 (3.3) billion, with a return of 4.3 (7.8) per cent. The assets covering the segregated insurance portfolio amounted to EUR 0.6 (0.6) billion, with a return of 5.0 (8.5) per cent.

The weight of money market investments in the asset allocation related to original portfolio decreased significantly as Mandatum Life called back the EUR 250 million Tier 2 loan in early October and paid internal dividend to Mandatum Plc. This returned the weight of money market investments to the normal level. For the original portfolio, the weight of fixed income investments was 73.9 (77.2) per cent and the weight of money market investments was 12.8 (24.3) per cent. The mark-to-market yield on the fixed income investments on the original balance sheet was 4.7 (4.6) per cent as at the end of December. The fixed income investments mark-to-market yield decreased from 5.7 per cent to 4.7 per cent but respectively the unwinding rate decreased from 3.4 per cent for the year 2024 to 2.4 per cent for the year 2025. Interest rate risk related to insurance contract liabilities is managed using interest rate derivatives and interest-bearing investments.

The amount of insurance contract liabilities in the accounting and the related change are influenced by the prevailing interest rate level as at the measurement date, leading to fluctuations in the amount of the insurance contract liability. On the original balance sheet, insurance contract liabilities amounted to EUR 1,656.0 (1,660.6) million and EUR 600.0 (612.0) million for the

segregated portfolio. As the change in market interest rates causes fluctuations in the insurance contract liabilities under IFRS accounting, the development of the actual insurance portfolio is also followed up through the development of the insurance savings. In addition to premiums and claims, insurance savings are impacted by the annual payment of guaranteed interest and client bonuses. The insurance savings on the original portfolio increased by EUR 13.2 million to EUR 1,709.3 (30 Sep 2024: 1,696.0) million in the fourth quarter. The increase in insurance savings is due to the transfer of insurance savings from unit-linked savings to with-profit savings in December, which will finance pension payments from these contracts in 2025. The insurance savings decreased, as expected, by EUR 117.7 million during the year 2024. The insurance savings on the insurance portfolios with a high guaranteed interest of 3.5 per cent and 4.5 per cent were EUR 1,315.6 (30 Sep 2024: 1,331.3) million, a decrease of EUR 15.7 million from the end of September and EUR 130.9 million for the year 2024.

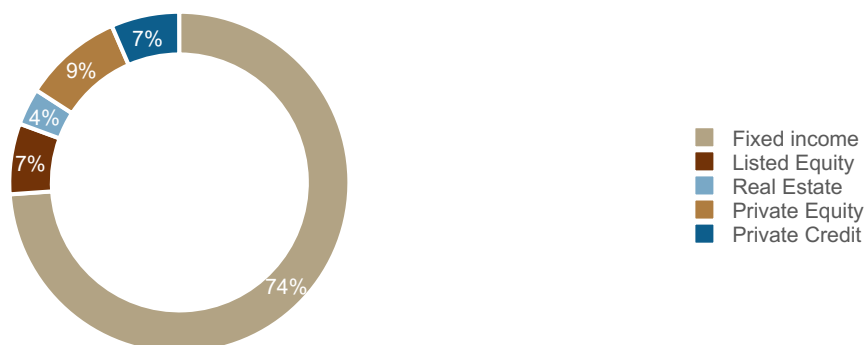
EUR million	10–12/2024	10–12/2023	Change, %	1–12/2024	1–12/2023	Change, %
<b>Fee result</b>	–	–	–	–	–	–
Insurance service result	–	–	–	–	–	–
Fee result from investment and asset management services	–	–	–	–	–	–
<b>Net finance result</b>	<b>10.5</b>	<b>19.1</b>	<b>-45%</b>	<b>100.4</b>	<b>137.8</b>	<b>-27%</b>
Investment return	13.2	163.6		176.3	307.0	
Unwinding and discounting of liabilities	-2.8	-144.5		-75.9	-169.1	
<b>Result related to risk policies</b>	–	–	–	–	–	–
CSM <sup>1</sup> and RA <sup>2</sup> release	–	–	–	–	–	–
Other insurance service result	–	–	–	–	–	–
<b>Other result</b>	<b>2.7</b>	<b>11.2</b>	<b>-76%</b>	<b>15.9</b>	<b>21.9</b>	<b>-27%</b>
<b>Profit before taxes for the period</b>	<b>13.2</b>	<b>30.2</b>	<b>-56%</b>	<b>116.3</b>	<b>159.7</b>	<b>-27%</b>

1) CSM, contractual service margin

2) RA, risk adjustment

The investment assets related to Mandatum's life insurance operations are diversified both geographically and across asset classes in order to increase returns and reduce risks. The asset allocation of Mandatum's life insurance-related investments for the original portfolio and the segregated portfolio as at 31 December 2024 is shown in the graphs below.

**Allocation of assets covering the original portfolio and Mandatum's own funds between asset types as at 31 Dec 2024, EUR 3,001 million**



**Allocation of investment assets of the segregated portfolio between asset types as at 31 Dec 2024, EUR 674 million**



# Solvency

## Group solvency

The Mandatum Group's Solvency II solvency ratio was 210.4 (221.4) per cent as at 31 December 2024. This includes foreseen dividend based on the Board of Directors' proposal 0.66€/share dividend for 2024. The solvency ratio before proposed dividend distribution improved during the financial year due to the strong financial result and Tier 2 loan emitted by Mandatum Life Insurance Company Limited. The target level of the Mandatum Group solvency ratio is 170–200 per cent.

### Mandatum Group's solvency

EUR million	31 Dec 2024	31 Dec 2023
Own funds	2,048	2,140
Solvency capital requirement (SCR)	973	966
Solvency ratio, %	210.4%	221.4%

As at the end of December 2024, the Group's own funds totalled EUR 2,048 (2,140) million. During the year under review, own funds increased by a total of EUR 239 million of which the share of fourth quarter was EUR 57 million. The solvency capital requirement increased during the year under review from EUR 966 million as at the beginning of the year to EUR 973 million as at the end of the year, which is mainly explained by the growth of the capital-light business. On the other hand, the solvency capital requirement increase was partly offset by the reducing the riskiness of the assets of the with-profit business as well as run-off nature of the with-profit business. The company's solvency position remains strong, and due to its strong solvency Mandatum is ready to operate in an uncertain market environment.

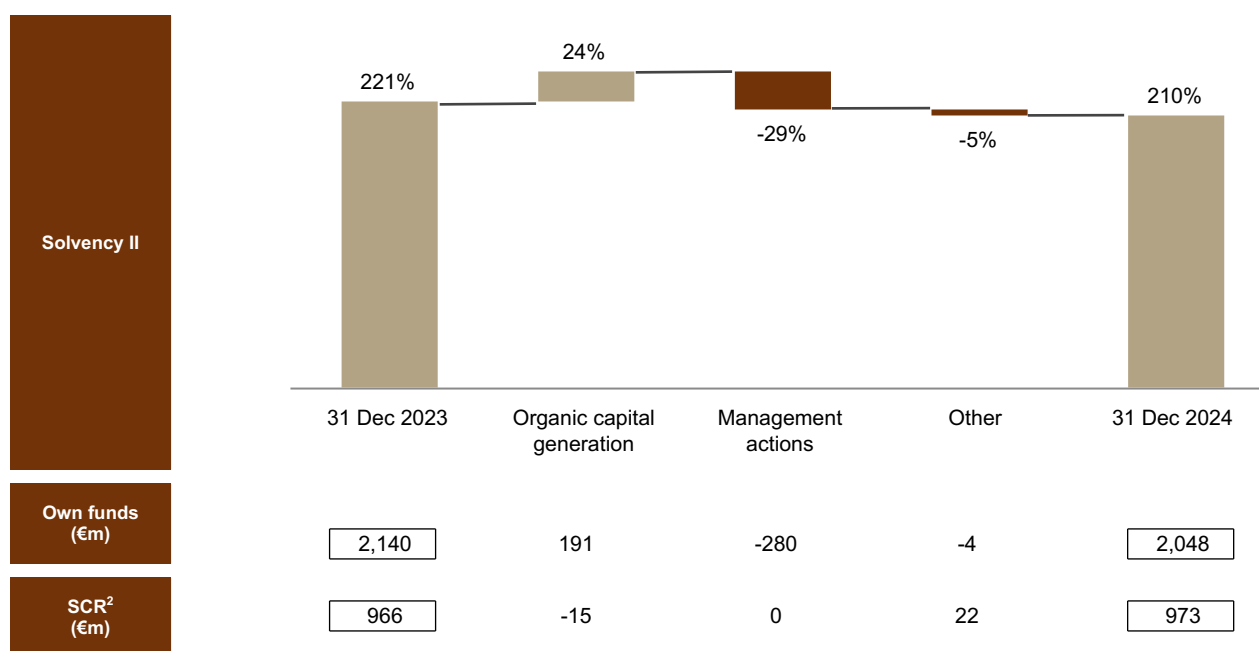
## Organic capital generation

The organic capital generation indicator illustrates the change in own funds resulting from our business operations and solvency capital requirement; in practice, this shows how the company’s capacity to pay out dividends has changed during the quarter.

The organic capital generation of Mandatum Group for the year under review totalled EUR 221 million, of which EUR 191 million was due to the own funds generation and the rest due to the release of the target solvency capital requirement. During the fourth quarter the organic capital generation totalled EUR 50 million.

These figures differ from regulatory own funds and solvency capital requirement movements since management actions (capital management actions) and other changes due to regulatory adjustments or extraordinary items are not taken into account in organic capital generation. The graph below shows the differences in more detail.

### Mandatum Group’s organic capital generation 1 Jan–31 Dec 2024



1) Organic capital generation does not include capital release part i.e. target solvency ratio release in excess of 100% level.

2) SCR, solvency capital requirement

## Financial leverage position

The Mandatum Group's leverage ratio is calculated by dividing the Group's financial debt valued at amortised cost by the sum of IFRS equity, contractual service margin less deferred taxes and financial debt. The impact of derivatives is not considered in financial debt when calculating financial leverage.

The Mandatum Group's financial leverage was 22.7 (14.9) per cent as at 31 December 2024. During the year under review, the financial debt valued at amortised cost increased due to the loan taken to finance Saxo Bank A/S transaction and Tier 2 loan emitted by Mandatum Life. However, financial leverage decreased in the fourth quarter mainly due to the repayment of EUR 250 million Tier 2 loan emitted by Mandatum Life Insurance Company Limited in 2019.

The table below describes the composition of the financial leverage in more detail.

### Mandatum Group's financial leverage

EUR million	31 Dec 2024	31 Dec 2023
Financial debt valued at amortised cost	599.7	351.1
Shareholder equity	1,601.4	1,599.0
Contractual service margin (CSM) + risk adjustment (RA), net of tax	441.1	408.0
Financial leverage, %	22.7%	14.9%



## Key events

On 19 December 2024, Mandatum announced to have succeeded well in the main ESG ratings. In the Sustainalytics ESG Risk Rating Mandatum is now ranked in the low ESG risk category, and among companies in its subindustry, Mandatum's result was in the top two percent. In addition, in the MSCI assessment updated in November, Mandatum achieved an ESG rating of "AA" (on a scale of CCC–AAA). This rating category reflects a company that is a leader in its industry in managing ESG risks and opportunities. In October, ISS ESG awarded Mandatum Prime status, indicating that the company's ESG rating is among the best in its industry.

On 29 November 2024, Mandatum received the highest Platinum Award in Scandinavian Financial Research's "Institutional Investment Services 2024" survey. Mandatum Asset Management ranked as the top institutional asset manager in the category of large companies, together with Danske Bank and Evli.

On 28 November 2024, Mandatum received excellent scores in the 2024 UN PRI (Principles for Responsible Investment) assessment, which evaluates the year 2023. Mandatum achieved the highest star scores in several categories. The PRI annual assessment measures responsible investment practices. The assessment tells the organisation and its stakeholders how well the UN PRI's principles are implemented in the organisation's investment activities by asset class and which areas of investment operations are in need of improvement.

On 21 November 2024, Mandatum announced to start change negotiations to streamline its operations. The change negotiations began on 3 December 2024. The negotiations are based on production-related, organisational and financial reasons. The objective is to ensure more efficient and thereby more productive business. In addition, by streamlining operations the company aims to ensure competitive prices also in the future, while enabling scalable growth. The negotiations concern approximately 150 employees and mainly focus on support functions.

On 11 October 2024, Mandatum announced that the special common fund Mandatum AM Finland Properties II, managed by Mandatum, boosted its ranking and received five stars in the Global Real Estate Sustainability Benchmark (GRESB) assessment. This puts the fund in third place in its peer group both in Finland and in Europe. In addition, the direct real estate investment portfolio on Mandatum's own balance sheet maintained the four stars it has achieved since 2020. As recognition of good management and sustainability work, Mandatum's direct real estate investments and the special common fund Finland Properties II both received the Green Star designation in the GRESB assessment again this year.

Lauri Vaittinen, who was a Member of Mandatum's Group Management Team, Head of Institutional and wealth management segment and CEO of Mandatum Asset Management Ltd, decided to leave his position on 8 October 2024 to pursue other opportunities outside of the company. Juhani Lehtonen, Chief Investment Officer of Mandatum Group and a Member of the Group Management Team was appointed as Interim Head of Institutional and wealth management segment alongside his current position. Antti Sorsa, who is currently the Chief Operating Officer of Mandatum Asset Management, will act as the Interim CEO of Mandatum Asset Management Ltd.

On 4 October 2024, Mandatum Life Insurance Company Limited performed the redemption of the existing EUR 250 million Tier 2 notes due in 2049. Mandatum Life Insurance Company Limited announced on 19 August 2024 that it has published a notice to the noteholders regarding early redemption of the notes on their first call date 4 October 2024.

The composition of Mandatum's Nomination Board as of 3 October 2024 is the following: Øistein Widding, Partner, Altor Equity Partners AS (appointed by Altor Invest 8 AS), Risto Murto, President and CEO, Varma Mutual Pension Insurance Company (appointed by Varma Mutual Pension Insurance Company), Esko Torsti, Director (Private Equity), Ilmarinen Mutual Pension Insurance Company (appointed by Ilmarinen Mutual Pension Insurance Company) and Patrick Lapveteläinen, Chair of the Board of Directors of Mandatum plc. At its first meeting on 3 October 2024, the Nomination Board elected Risto Murto as Chair from among its members.



On 1 October 2024, Mandatum published the schedules of its financial reporting and Annual General Meeting in 2025. Mandatum plc will report its results on following days during 2025: Financial Statements Release for 2024 on 13 February 2025, Interim report for January–March 2025 on 8 May 2025, Half-year financial report for January–June 2025 on 14 August 2025 and Interim report for January–September 2025 on 11 November 2025. The Financial Statements, the Board of Directors' Report including the Sustainability Statement, as well as the Corporate Governance Statement and the Remuneration Report for Governing Bodies for 2024 will be published as a stock exchange release and at Mandatum's website during week 14. Mandatum Group's Solvency and Financial Condition Report (SFCR) will be published in May 2025. The Annual General Meeting is scheduled for 15 May 2025. Possible dividend will be paid on 26 May 2025 at the earliest.

On 1 October 2024, Mandatum announced that Mandatum Life Insurance Company Limited ("Mandatum Life") and If Livförsäkring AB have successfully completed a portfolio transfer wherein Mandatum Life has transferred to If Livförsäkring's branch in Finland such life insurance contracts that have been sold and managed by If P&C Insurance Ltd's branch in Finland. The sale of the portfolio concerned approximately 50,000 contracts. The sale was announced on 27 September 2023.

## Other information

### Ratings

S&P Global Ratings affirmed on 21 March 2024 Mandatum Life Insurance Company Limited's (Mandatum Life) long-term credit rating at A. The outlook remains stable, and S&P expects Mandatum to retain its strong position in the Finnish life insurance sector over the next two years. Mandatum plc's credit rating is at BBB+ with a stable outlook.

### Shares and shareholders

The number of Mandatum plc shares as at 31 December 2024 was 502,696,752 (501,796,752). The total number of shares increased in September as a result of the Board of Directors approval of the subscription of a total of 900,000 new shares in the personnel offering. The new shares that have been issued in the personnel offering were registered in the Trade Register on 13 September 2024 and admitted to trading on Nasdaq Helsinki Ltd on 16 September 2024.

The number of registered shareholders as at 31 December 2024 was 213,119 (222,359). Out of these, the percentage of nominee registered shareholders and foreign owners was approximately 46 (42) per cent. As at the end of December there were no unregistered shares.

The market capitalisation of Mandatum plc as at the end of the last transaction date in the fourth quarter of 2024 was appr. EUR 2.3 (2.0) billion. The closing price of the MANTA share was EUR 4.48 (4.07). The share traded at a high of EUR 4.48 (4.07) and a low of EUR 4.06 (3.28) during the fourth quarter.

### Dividend proposal

The distributable capital of Mandatum plc, the parent company of the Mandatum Group, was EUR 1,066,246,724.11 as at 31 December 2024, of which the profit for the financial year 2024 was EUR 568,363,620.94. The Board of Directors proposes to the Annual General Meeting on 15 May 2024 that a dividend of EUR 0.66 per share, EUR 331,779,856.32, be distributed. After taking into account the proposed dividend, the distributable assets of Mandatum plc amount to EUR 734,466,867.79. The remaining assets will be retained in the company's equity.

The dividend is proposed to be paid to shareholders who are registered in the shareholders' register of Mandatum plc maintained by Euroclear Finland Ltd as at 19 May 2025, the record date for the payment of the dividend. The Board of Directors proposes 26 May 2025 as the dividend payment date.



There have been no material changes in the financial position of the company since the end of the year under review. In the opinion of the Board of Directors, the proposed dividend distribution will not endanger the company's solvency or liquidity.

## Remuneration / Incentive schemes

A total of EUR 17.1 (9.3) million, including social costs, was paid as short-term incentives in January–December 2024 in Mandatum Group. The increase in short-term incentives was primarily influenced by a change in the reporting method. In addition, a total of EUR 5.5 (3.6) million was paid as long-term incentives during the same period.

In March 2024, the Board of Directors of Mandatum plc decided to establish Mandatum's own performance- and share-based long-term incentive scheme (Performance Share Plan) for the Group Management Team (including the Group CEO) and selected key employees. More information on the Mandatum's long-term incentive schemes is available on the website at: <https://www.mandatum.fi/en/group/governance/remuneration/long-term-incentive-schemes/>.

## Composition of the Board of Directors

As at 31 December 2024, there were seven members on the Board of Directors of Mandatum plc: Patrick Lapveteläinen, Chair of the Board; Jannica Fagerholm, Vice-chair of the Board; Johanna Lamminen, member of the Board of Directors; Kimmo Laaksonen, member of the Board of Directors; Markus Aho, member of the Board of Directors; Jukka Ruuska, member of the Board of Directors; Herman Korsgaard, member of the Board of Directors.

## Group Management Team

As at 31 December 2024, there were seven members on the Group Management Team of Mandatum: Petri Niemisvirta, CEO; Juhani Lehtonen, Chief Investment Officer; Sanna Rajaniemi, SVP, Head of Private Customers Alliances, Development and Services; Petri Vieraankivi, SVP, Strategic Planning; Tarja Tyni, SVP, Corporate & Private Wealth Management; Jukka Kurki, CEO, Mandatum Life Insurance Limited ja Matti Ahokas, CFO.

## Changes in management

Matti Ahokas, M.Sc. (Econ.), started as Mandatum's new Chief Financial Officer on 1 May 2024. The company's previous CFO Jukka Kurki took up his position as Mandatum Life's Chief Executive Officer already when Mandatum was listed on Nasdaq Helsinki and Petri Niemisvirta started as CEO of Mandatum plc.

Lauri Vaittinen, who was a Member of Mandatum's Group Management Team, Head of Institutional and wealth management segment and CEO of Mandatum Asset Management Ltd, decided to leave his position on 8 October 2024 to pursue other opportunities outside of the company. Juhani Lehtonen, Chief Investment Officer of Mandatum Group and a Member of the Group Management Team was appointed as Interim Head of Institutional and wealth management segment alongside his current position.

## Personnel

In January–December 2024, Mandatum Group had 666 (678) employees (FTE) on average. As at 31 December 2024, Mandatum Group had 679 (694) employees, of whom 25 (22) were employed by Mandatum plc, 528 (536) by the Mandatum Life Group and 126 (136) by the Mandatum Asset Management Group.

Of these employees, 672 (687) worked in Finland, 3 (3) in Sweden and 4 (4) in Luxembourg.

The gender distribution was 54 (54) per cent men and 46 (46) per cent women. The average age of personnel was 42 (40) years.



# Sustainability

## STRATEGY

In 2024, Mandatum updated its sustainability strategy guiding the company's day-to-day sustainability work and management. The sustainability strategy aims to achieve sustainability goals even more systematically to create value and to influence and manage risks from the perspective of sustainability themes that are significant to the company and society. Mandatum's sustainability is formed by three key themes that form the foundation for the company's business. The key themes are responsible investment, promoting financial security and a good working life, and responsibility in Mandatum's own operations. Company-level sustainability goals and indicators for them are defined under each key theme.

### Responsible investment

Long-term efforts to reduce the emissions of investments in accordance with the sustainability strategy continued. To reinforce its goal, Mandatum joined the global Net Zero Asset Managers (NZAM) initiative in June and committed to achieving net-zero emissions from its investments by 2050 at the latest. The company will set interim targets for its emission reductions and draw up a concrete plan for achieving them.

In recognition of good management and sustainability work, Mandatum's direct real estate investments and the special common fund Finland Properties II received the Green Star designation in the Global Real Estate Sustainability Benchmark (GRESB) assessment again in 2024. The GRESB assessment covered both Mandatum's direct real estate investments and the Finland Properties II special common fund managed by Mandatum AM AIFM. The direct real estate investment portfolio on Mandatum's own balance sheet maintained the four stars out of five that it has achieved in the assessment since 2020. The Finland Properties II special common fund's ranking was raised from last year's four stars to five.

Mandatum received excellent scores in the UN Principles for Responsible Investment's 2024 assessment, which evaluates the 2023 financial year. Mandatum achieved the highest star scores in several categories. The company participated in a total of eleven evaluated areas, achieving the highest star scores in seven of them. The areas assessed were direct private equity, direct real estate, direct listed equity, direct fixed income corporate, active indirect fixed income, indirect private equity and indirect real estate.

In accordance with the UN PRI, the company has committed to integrating ESG factors into its investment process, to being an active owner and to promoting the principles of responsible investment.

The 2024 PRI reports are available on the website, at <https://www.mandatum.fi/en/corporation-news/2024/mandatum-receives-excellent-scores-in-the-2024-un-principles-for-responsible-investment-assessment/>.

### Sustainable insurance

Mandatum has committed to the UN Principles for Sustainable Insurance (PSI) and has compiled a Sustainable Insurance Policy based on the principles. The policy was also updated in 2024. The purpose of the policy is to define Mandatum's key operating principles for sustainable insurance and to serve as a guide for employees on how to take ESG issues into consideration in day-to-day insurance operations.

The sustainable insurance perspective was included in the annual monitoring of insurance products, the purpose of which is to examine, among other things, the suitability of insurance products for the target market and assess possible development needs.

### Customer and employee satisfaction

Mandatum uses the Net Promoter Score (NPS) to measure customer satisfaction. NPS is an index ranging from -100 to 100 that measures customers' likelihood to recommend a company's products or services to others. The value of NPS is calculated



based on responses from client encounter feedback surveys. In 2024, customer satisfaction with client encounters was 78.5 (76.8).

The well-being of employees is one of Mandatum’s strategic goals. Mandatum received a score of 84 (on a scale of 1–100) in the 2024 Siqni index, entitling it to the Future Workplaces certificate for the third time in a row. The certificate is earned when the workplace’s company culture has been managed with exceptionally good employee insight. The Siqni index consists of the employee net promoter score (eNPS) and the Flame index, which indicates how employees perceive the realisation of issues they find meaningful in day-to-day work.

## ESG RATINGS

Mandatum’s three ESG ratings were updated in the fourth quarter of 2024. Mandatum succeeded well in the Sustainalytics ESG Risk Rating, which was updated in December, falling into the low ESG risk category with a score of 13.6 (on a scale of 0–100). Among companies in its own industry, Mandatum’s result ranks among the top two per cent. In the MSCI assessment updated in November, Mandatum achieved an ESG rating of “AA” (on a scale of CCC–AAA). This rating category reflects a company that is a leader in its industry in managing ESG risks and opportunities, as does the Prime status awarded to Mandatum by ISS ESG in October.

### Mandatum Group's key external ESG ratings

Rating	Mandatum's ESG score	Scale (low to high)	Score within industry	Last update
MSCI ESG rating	AA	CCC – AAA	Among industry leaders	Q4 2024
Sustainalytics Risk Rating	13.6 Low risk	100 – 0	Among top 2% in the industry	Q4 2024
ISS ESG rating	Prime C+	D – A+	-	Q4 2024

## REPORTING

Mandatum will publish its Sustainability Statement for the financial year 2024 in accordance with the EU Corporate Sustainability Reporting Directive (CSRD) and the relevant national legislation. The Sustainability Statement will be published as part of Mandatum's Report of the Board of Directors during week 14. In 2024, Mandatum prepared for CSRD reporting by finalising the double materiality analysis of sustainability topics and developing processes and practices related to reporting in accordance with the European Sustainability Reporting Standards (ESRS) for material sustainability topics.

## Major risks and uncertainties for the Group

In its business, Mandatum Group is exposed to various risks and uncertainties primarily through its key business areas. Mandatum's profitability and its fluctuations are affected by market, insurance, expense and operational risks. In the short term, Mandatum Group's key risks are market risks since, for example, underwriting risks are typically realised only in the long term (cf. longevity risk).

Market risks are mainly caused by unfavourable changes in equity investments, fixed income investments and insurance contract liabilities, and in the case of the latter two, specifically by their combined effect. The business area where all these risks most significantly occur is the with-profit business. Other business areas are also exposed to market risks because their income is highly dependent of the amount of assets under management. Mandatum is also exposed to the influence of market risk for direct equity and fixed income investments, and the risks are emphasised by the concentration of investments in a few large investments. Changes in the investment markets mentioned above may reduce the amount of client assets under management and weaken the result of investment and financing operations. A decrease in interest rates increases with-profit insurance contract liabilities and thus weakens the result of investment and financing operations.

Identifying uncertainties is easier than estimating the probabilities, timing, and extent of the potential economic impacts of uncertainties. Unpredictable significant events may have an immediate impact on Mandatum's profitability, especially when related to macroeconomic and financial market developments. In this case, Mandatum's market risks may materialise through and unfavourable valuation of investment assets or insurance contract liabilities. Over time, possible unfavourable macroeconomic impacts may also be reflected in Mandatum's operative business. For example, a decline in economic growth may have a negative impact on the development of client assets.

Geopolitical risks together with political risks remain a significant threat to economic activities. The impacts of geopolitical risks related to ongoing war in Ukraine and the situation in the Middle East on Mandatum are mainly related to their effects on capital markets and macroeconomics. There are no significant direct investments in Russia, Ukraine or in the Middle East on Mandatum's balance sheet. Given that there are no significant direct risk exposures, Mandatum's most significant risk arising from the war in Ukraine and the crisis in the Middle East is related to the aforementioned secondary impacts on the financial markets and the macroeconomy. In addition, rapidly evolving hybrid threats create new challenges for governments and businesses.

Although inflation has calmed down during 2024, uncertainties regarding its future development still exist, which is reflected in central banks' monetary policy. This could lead to both a significant slowdown in economic growth and difficulties in coping with debt for companies, households, and governments. The above-mentioned geopolitical risks and their possible realisation may have material impact on the future development of inflation and interest rates.

Other sources of uncertainty include unpredictable structural changes in the operating environment and already identified trends affecting the operating environment and potential events with major impacts. These external factors may have an impact on Mandatum's business operations in the long term as well. Examples of trends already identified include demographic changes, sustainability themes and technological developments in areas such as artificial intelligence and digitalisation, including cybersecurity-related threats.

Regarding digitalisation and cyber threats, the Digital Operational Resilience Act (DORA), which came into force at the beginning of 2023, requires financial companies to be more comprehensively prepared for various disruptions than before, and companies have until the end of 2024 to adapt their operations to comply. Mandatum is well on schedule with its own operations in terms of the required adjustments.

Mandatum is also affected by risks related to the climate and its expected changes in the medium and long term. The company does not expect climate-related issues to have a direct material impact on the company, but climate issues may, however, indirectly affect the company's operations through its investment portfolio. The investment portfolio is exposed to both physical climate risks as well as transition risks. Investments that are susceptible to climate risks include, in particular, those in which

losses can occur due to extreme weather events and possible revaluations in the event of changes in business models in carbon intensive industries.

Currently the aforementioned matters bring significant uncertainty to the development of the economy and the financial markets. There are several generally identified macroeconomic and political factors as well as other sources of uncertainty which can have a negative impact on the financial sector in many ways.

## Events after the end of the reporting period

On 30 January 2025, Mandatum announced the proposals by Mandatum's Shareholders' Nomination Board to the Annual General Meeting 2025. The Nomination Board announced a proposal for the composition of the Board of Directors and a proposal for the remuneration of the Board of Directors. The Nomination Board proposes to the AGM that the number of members of the Board of Directors be eight (there are currently seven members). The Nomination Board proposes that all current members Patrick Lapveteläinen (Chair), Jannica Fagerholm (Vice Chair), Johanna Lamminen, Jukka Ruuska, Kimmo Laaksonen, Markus Aho and Herman Korsgaard be re-elected as members of the Board. The Nomination Board further proposes that Louise Sander is elected as a new member of the Board of Directors. Sander has an extensive background in financial services as she has, inter alia, worked as the CEO of Handelsbanken Liv (subsidiary of Svenska Handelsbanken AB (publ)) in 2013–2021 and served as a Board Member of Handelsbanken Liv in 2021–2024. Furthermore, the Nomination Board proposes that the Board of Directors elects from among themselves Patrick Lapveteläinen as the Chair of the Board and Jannica Fagerholm as the Vice Chair.

On 29 January 2025, Mandatum announced it had received a notification, pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act, that Société Générale SA's (France) direct or indirect holding of the shares and votes in Mandatum plc has decreased below the threshold of 5 per cent on 27 January 2025. The newest information concerning Mandatum's largest shareholders can be found on the company's website: <https://www.mandatum.fi/en/group/investors/shareholders/>.

On 28 January 2025, Mandatum announced to have concluded the change negotiations that were started in December 2024. As a result, the company will centralise similar functions and eliminate overlaps. Direct business-supporting functions are brought closer to the business. In the Retail clients business area, going forward, Mandatum will increasingly centralise new customer sales to its distribution partners. The negotiations concerned approximately 150 employees. The greatest impacts were related to reorganising operations, but the negotiations also led to changes in the essential terms of employment contracts of seven employees and the reduction of 17 positions.

On 28 January 2025, Mandatum announced changes in the operational responsibilities of Mandatum's Group Management Team from 1 February 2025 onwards. Head of Private Customers' Alliances, Development and Services, and Member of the Group Management Team, Sanna Rajaniemi (M.Sc in Technology) has been appointed Group Chief Operating Officer. In addition to his current role overseeing the Group's strategic planning, Member of the Group Management Team, Petri Vieraankivi (M.Sc in Economics and Accounting), will take on responsibility for the business focused on retail customers with an emphasis on distribution partnerships.

On 13 January 2025, Mandatum announced it had received a notification, pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act, that Altor Fund Manager AB's direct or indirect holding of the shares and votes in Mandatum plc has increased above the threshold of 10 per cent on 13 January 2025. Altor Invest 8 AS has on 13 January 2025 converted 100,000 financial instruments under the swap into shares by way of physical settlement.

On 13 January 2025, Mandatum announced it had received a notification, pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act, that Altor Fund Manager AB's direct or indirect holding of the shares and votes in Mandatum plc has decreased below the threshold of 10 per cent on 13 September 2024 due to an increase in the number of issued shares in Mandatum plc. The number of shares and voting rights held is unchanged.



On 2 January 2025, Mandatum announced that Mandatum Life Services Ltd (Mandatum) has successfully completed the transaction to sell its pension fund services business to Porasto Oy. Mandatum announced the transaction on 19 August 2024. The Mandatum employees providing these services will transfer to Porasto. There are no service change implications for customers. The transaction has no material impact on Mandatum's financial result.





## Calculation formulas

Performance measures regulated by the IFRS, or other legislation are not regarded as APMs. All performance measures are disclosed with comparison numbers and are consistently used over the years, unless otherwise noted.

### CALCULATION FORMULAS FOR PERFORMANCE MEASURES

<b>Solvency ratio</b>	$\frac{\text{Own funds}}{\text{Solvency capital requirement}}$
<b>Leverage ratio</b>	Calculated by dividing the group's financial liabilities valued at amortised cost by the sum of IFRS equity, the CSM less deferred tax liabilities and financial liabilities.
<b>Return on equity, %</b>	$\frac{\text{Profit for the period attributable to shareholders}}{\text{Equity (average of values at 1 Jan and 31 Dec)}} \times 100$
<b>Earnings per share, EUR</b>	$\frac{\text{Profit for the period attributable to shareholders}}{\text{Adjusted average number of shares}}$
<b>Equity per share, EUR</b>	$\frac{\text{Equity attributable to shareholders}}{\text{Adjusted average number of shares}}$
<b>Dividend per share, %</b>	$\frac{\text{Dividend for the accounting period}}{\text{Adjusted number of shares at balance sheet date}} \times 100$
<b>Dividend per earnings, %</b>	$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$
<b>Effective dividend yield, %</b>	$\frac{\text{Dividend per share}}{\text{Adjusted closing share price at balance sheet date}} \times 100$

### CALCULATION FORMULAS FOR ALTERNATIVE PERFORMANCE MEASURES

<b>Fee result</b>	Insurance service result for unit-linked insurance contracts + fee income from investment contracts + other income for the management of client assets – expenses from investment contracts – other expenses for the management of client assets.
<b>Net finance result excluding unit-linked related result</b>	Net investment income from investments covering with-profit insurance portfolio and risk policies and Mandatum equity +/- unwinding of the discounting effect of with-profit and risk policies insurance contract liability and change in with-profit and risk policies insurance contract liability caused by changes in discount rates.
<b>Result related to risk policies</b>	Insurance service result related to risk insurance policies.
<b>Other result</b>	Other than the fee result, the net finance result excluding the unit-linked related result, and the result related to risk policies. This includes the insurance service result from with profit portfolios, interest expenses on subordinated and other loans, and the result from other services.

### CALCULATION FORMULAS FOR OTHER ALTERNATIVE PERFORMANCE MEASURES

<b>Net flow</b>	Net flow consists of client AuM inflow, client AuM outflow and transfers between with-profit and unit-linked sections.
<b>Client assets</b>	Assets related to unit-linked policies and other client assets under management.
<b>Cost/income ratio related to client AuM</b>	$\frac{\text{Expenses related to management of client assets}}{\text{Income related to the management of client assets}}$
<b>Organic capital generation (OCG)</b>	OCG reflects Solvency II Own funds generation from business's ongoing activities (e.g. net finance result, fee result) and release of the capital due to the movements in the solvency capital requirement arising from business evolution reflecting the focus to move away from capital intensive business to capital-light business.

**Mandatum plc**

Board of Directors



## Conference call

A conference call in English for analysts and investors is scheduled for 13 February 2025 at 11.00 a.m. (EET, Finnish time). You can register for the conference call using the link provided below. The phone numbers for the conference call and the associated code will be provided upon registration.

Registration for the event: <https://palvelu.flik.fi/teleconference/?id=50051451>.

The conference call can be followed live on the internet at [www.mandatum.fi/en/result](http://www.mandatum.fi/en/result). A recording of the call will be made available for later access at the same web address.

## ADDITIONAL INFORMATION

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Lotta Borgström, VP, Investor Relations, [lotta.borgstrom@mandatum.fi](mailto:lotta.borgstrom@mandatum.fi), +358 500 221 027

The supplementary presentation material for investors accompanying the Mandatum Financial Statement Release is available at [www.mandatum.fi/en/result](http://www.mandatum.fi/en/result).

Mandatum plc will publish its Q1 Interim Report on 8 May 2025, Half-year Financial Report on 14 August 2025 and Q3 Interim Report on 11 November 2025.

## DISTRIBUTION

Nasdaq Helsinki

Principal media

Financial Supervisory Authority

[www.mandatum.fi](http://www.mandatum.fi)



# Tables

## Group quarterly result

EUR million	10–12/2024	7–9/2024	4–6/2024	1–3/2024	10–12/2023
Insurance revenue	75.4	87.2	89.7	85.0	83.0
Insurance service expenses	-68.0	-67.0	-68.6	-71.0	-85.5
Reinsurance result	-0.2	0.3	-0.3	-0.9	-0.3
<b>Insurance service result</b>	<b>7.2</b>	<b>20.6</b>	<b>20.8</b>	<b>13.1</b>	<b>-2.9</b>
Net investment result	347.1	326.0	319.5	415.0	618.4
Net finance income or expenses from insurance contracts	-71.6	-146.5	-53.3	-159.4	-279.7
Net finance income or expenses and operating expenses from investment contracts	-247.6	-152.5	-208.3	-223.1	-287.5
<b>Net financial result</b>	<b>27.9</b>	<b>27.0</b>	<b>58.0</b>	<b>32.5</b>	<b>51.3</b>
Other income	11.1	10.6	9.0	9.0	10.6
Other expenses	-5.2	-7.4	-8.0	-5.5	-9.9
Finance expenses	-5.6	-5.1	-3.5	-1.7	-1.9
Share of associates' profit or loss	-0.3	-0.5	-0.4	-0.4	-0.8
<b>Profit for the reporting period before taxes</b>	<b>35.1</b>	<b>45.2</b>	<b>75.8</b>	<b>46.9</b>	<b>46.3</b>
Income taxes	-2.2	-8.7	-17.9	-9.1	-17.1
<b>Net profit for the reporting period</b>	<b>32.9</b>	<b>36.5</b>	<b>57.9</b>	<b>37.7</b>	<b>29.2</b>
<b>Profit attributable to</b>					
Owners of the parent	32.9	36.4	57.9	37.8	29.2
Non-controlling interests	0.0	0.1	0.0	-0.1	0.0

**Statement of profit or loss and other comprehensive income<sup>1</sup>**

EUR million	Note	1–12/2024	1–12/2023
Insurance revenue		337.3	338.1
Insurance service expenses		-274.5	-299.0
Reinsurance result		-1.1	-1.3
<b>Insurance service result</b>	<b>1</b>	<b>61.7</b>	<b>37.8</b>
Net investment result	5	1,407.6	1,279.5
Net finance income or expenses from insurance contracts	2	-430.8	-441.1
Net finance income or expenses and operating expenses from investment contracts		-831.5	-660.1
<b>Net financial result</b>		<b>145.4</b>	<b>178.3</b>
Other income	3	39.7	33.9
Other expenses		-26.2	-26.2
Finance expenses		-16.0	-11.6
Share of associates' profit or loss		-1.6	-1.8
<b>Profit for the reporting period before taxes</b>		<b>202.9</b>	<b>210.4</b>
Income taxes		-38.0	-49.9
<b>Net profit for the reporting period</b>		<b>164.9</b>	<b>160.5</b>
<b>Profit attributable to</b>			
Owners of the parent		164.9	160.7
Non-controlling interests		–	-0.2
<b>Basic EPS<sup>2</sup></b>		<b>0.33</b>	<b>0.32</b>

1) Mandatum Group does not have any Other Comprehensive Income items in fiscal year 2024 or 2023.

2) Diluted EPS is not presented as Mandatum does not have diluting instruments.

**Consolidated balance sheet**

EUR million	Note	31 Dec 2024	31 Dec 2023
<b>Assets</b>			
Property, plant and equipment		25.1	27.4
Investment property	8	119.8	125.7
Goodwill and intangible assets		54.1	54.1
Investments in associates		0.5	1.4
Financial assets	7	3,507.3	3,592.4
Financial assets related to unit-linked contracts	7	13,292.5	11,636.1
Insurance contract assets	9	1.1	15.1
Other assets		162.0	152.0
Cash and cash equivalents		890.4	738.4
<b>Total assets</b>		<b>18,052.7</b>	<b>16,342.6</b>
<b>Liabilities</b>			
Insurance contract liabilities	9	5,640.7	5,518.3
Investment contract liabilities	10	9,908.2	8,529.3
Reinsurance contract liabilities <sup>1</sup>		1.2	1.2
Subordinated debts	6, 7	298.8	249.8
Other financial liabilities	6, 7	320.6	103.6
Deferred tax liabilities		133.8	140.8
Other liabilities		148.0	200.5
<b>Total liabilities</b>		<b>16,451.3</b>	<b>14,743.6</b>
<b>Equity</b>			
Share capital		0.1	0.1
Reserves		440.0	436.7
Retained earnings		1,161.0	1,162.6
Equity attributable to owners of the parent		1,601.2	1,599.3
Non-controlling interests		0.2	-0.3
<b>Total equity</b>		<b>1,601.4</b>	<b>1,599.0</b>
<b>Total equity and liabilities</b>		<b>18,052.7</b>	<b>16,342.6</b>

1) Includes reinsurance share of insurance contract assets at EUR 1.7 million (1.5), and estimated items of reinsurance fees at EUR 7.2 million (7.2) and reinsurance premiums at EUR -10 million (-9.9).

**Changes in equity**

EUR million	Share capital	Reserve for Investment in non-restricted equity	Retained earnings	Non-controlling Interests	Total
<b>Equity at 1 January 2023</b>	<b>5.0</b>	<b>533.5</b>	<b>1,153.1</b>	<b>-0.1</b>	<b>1,691.5</b>
Change in group structure	-4.9	-96.8	–		-101.7
Profit			160.7	-0.2	160.5
Other changes			-1.2		-1.2
Dividends			-150.0		-150.0
<b>Equity at 31 December 2023</b>	<b>0.1</b>	<b>436.7</b>	<b>1,162.6</b>	<b>-0.3</b>	<b>1,599.0</b>
<b>Equity at 1 January 2024</b>	<b>0.1</b>	<b>436.7</b>	<b>1,162.6</b>	<b>-0.3</b>	<b>1,599.0</b>
Profit			164.9	–	164.9
Management incentive plan			1.4		1.4
Other changes			0.9		0.9
Acquisition of non-controlling interests			-3.0	0.5	-2.5
Directed personnel offering		3.4	-0.1		3.2
Dividends			-165.6		-165.6
<b>Equity at 31 December 2024</b>	<b>0.1</b>	<b>440.0</b>	<b>1,161.0</b>	<b>0.2</b>	<b>1,601.4</b>

**Consolidated statement of cash flows**

EUR million	1–12/2024	1–12/2023
<b>Operating activities</b>		
Profit before taxes	202.9	210.4
<b>Adjustments</b>		
Depreciation and amortisation	4.6	4.8
Unrealised gains and losses arising from valuation	-810.5	-773.0
Realised gains and losses on investments	-121.4	-129.4
Change in liabilities for insurance and investment contracts	1,515.3	1,613.9
Other adjustments	21.9	263.7
<b>Adjustments total</b>	<b>609.8</b>	<b>979.9</b>
<b>Change (+/-) in assets of operating activities</b>		
Investments <sup>1</sup>	-679.4	-776.6
Other assets	-5.2	-25.0
<b>Total</b>	<b>-684.6</b>	<b>-801.6</b>
<b>Change (+/-) in liabilities of operating activities</b>		
Financial liabilities	17.3	-0.3
Other liabilities	-14.5	-34.5
Paid interest <sup>2</sup>	-18.5	-13.3
Paid income tax	-40.2	-60.4
<b>Total</b>	<b>-55.9</b>	<b>-108.5</b>
<b>Net operating cash flow</b>	<b>72.1</b>	<b>280.2</b>
<b>Investing activities</b>		
Investments and divestments in subsidiary shares	–	19.7
Net investment in equipment and intangible assets	-2.3	-5.5
<b>Net investing cash flow</b>	<b>-2.3</b>	<b>14.2</b>
<b>Financing activities</b>		
Payment of lease liabilities	-1.7	-1.6
Repayment of subordinated loan	-249.8	-100.0
Proceeds from subordinated loan	298.8	–
Proceeds from loans from financial institutions	199.7	–
Group contribution	–	-29.0
Acquisition of non-controlling interests	-2.5	–
Directed personnel offering	3.2	–
Dividends paid	-165.6	-150.0
<b>Net financing cash flow</b>	<b>82.1</b>	<b>-280.6</b>
<b>Total cash flows</b>	<b>152.0</b>	<b>13.8</b>
Cash and cash equivalents at the beginning of reporting period	738.4	724.6
Cash and cash equivalents at the end of reporting period	890.4	738.4
<b>Net change in cash and cash equivalents</b>	<b>152.0</b>	<b>13.8</b>

1) Investments include investment property, financial assets and investments related to unit-linked insurance contracts.

2) Paid interest amount has been restated for non-cash flow item relating to derivatives for both 2024 and 2023.



# Accounting policies for financial statement release

Mandatum plc (the Company) is a public limited liability company listed on Helsinki Nasdaq and domiciled in Finland (business ID 3355142-3). The Company's registered office is at Bulevardi 56, 00120 Helsinki, Finland. The Group provides asset management and wealth management services, remuneration services and personal insurance services to retail and corporate clients.

Mandatum's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The accounting policies in this financial statement release were prepared in accordance with IAS 34 Interim Financial Reporting. The information included in this financial statement release is unaudited.

The accounting policies and methods applied in this financial statement release are the same that were applied in the Mandatum consolidated financial statements for 2023.

The financial statements for 2023 are available on the Mandatum website: [Mandatum Group Annual Report 2023](#).

## Accounting policies requiring management judgement and key sources of estimation uncertainties

In preparing this financial statement release, management made judgements in applying accounting policies and estimates affecting the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements made by management in the application of accounting policies that affect the amounts recognised in the financial statement release include:

- classification of financial assets (business model assessment)
- classification of insurance and investment contracts that have the legal form of insurance or reinsurance contracts
- level of aggregation of insurance contracts (the formation of groups of insurance contracts when allocating contracts to groups according to the original issue date and expected profitability and measurement of insurance contracts: determining the techniques for estimating risk adjustments for non-financial risk and determination of the insurance coverage units by group of insurance contract)
- consolidation (control of the funds managed by Mandatum)

Mandatum Group's key assumptions concerning the future and the key uncertainties related to the estimates at the balance sheet date include:

- assumptions made in the measurement of actuarial calculations (assumptions about future cash flows related to mortality, morbidity, policyholder behaviour, the default interest rate and discretionary benefits, assumptions about discount rates)
- measurement of the fair value of financial instruments and investment properties with unobservable inputs
- impairment of cash-generating units (CGU) containing goodwill (key assumptions underlying recoverable amounts)

## New accounting policies applied from 1 Jan 2024

Mandatum Group has not adopted new accounting policies for the financial year. Amendments to IFRS standards which been effective from 1 January 2024 have had no material impact on Mandatum Group.





IFRS standards that have been published but are not yet in effect are not expected to have material impact on Mandatum Group.

# Notes

## SEGMENT REPORTING

Mandatum Group's segment reporting is based on how Mandatum's management assesses the performance of the business areas. The reported segments are the same as the Group's business areas or operating segments. The business areas are institutional and wealth management clients; corporate clients; retail clients; and with-profit business. Segment reporting is based on Mandatum Group reporting prepared in accordance with the IFRS accounting policies. Identifiable revenues and expenses, whether directly attributable or allocable on a reasonable basis, are allocated to business areas. In the consolidated financial statements, Mandatum plc and Mandatum Holding Ltd income and expenses are not allocated to business areas. Each business area has its own manager responsible for the performance of the business area and reporting directly to the CEO of the Mandatum Group, the Group's chief operating decision maker. The identification of the chief operating decision maker is based on the CEO's responsibility for assessing the performance of the business areas and allocating resources to the business areas. The disclosures presented in Mandatum's segment reporting are based on the Group's internal reporting to the chief operating decision maker. The tables below break down Mandatum's operating profit by business area.

## Result by segment

1 Jan–31 Dec 2024

EUR million	Institutional	Corporate	Retail	With profit	Eliminations and items not allocated to the segments	Group
<b>Fee result</b>	<b>26.3</b>	<b>22.7</b>	<b>17.7</b>	–	–	<b>66.6</b>
Insurance service result	–	19.9	10.2	–	–	30.1
Fee result from investment and asset management services	26.3	2.8	7.4	–	–	36.5
<b>Net finance result</b>	–	–	–	<b>100.4</b>	<b>35.2</b>	<b>135.6</b>
Investment return	–	–	–	176.3	35.2	211.5
Unwinding and discounting of liabilities	–	–	–	-75.9	–	-75.9
<b>Result related to risk policies</b>	–	<b>13.2</b>	<b>12.2</b>	–	–	<b>25.4</b>
CSM <sup>1</sup> and RA <sup>2</sup> release	–	13.2	12.7	–	–	25.9
Other insurance service result	–	–	-0.5	–	–	-0.5
<b>Other result</b>	<b>0.4</b>	<b>-4.9</b>	<b>0.2</b>	<b>15.9</b>	<b>-36.4</b>	<b>-24.7</b>
<b>Profit before taxes for the period</b>	<b>26.7</b>	<b>31.0</b>	<b>30.1</b>	<b>116.3</b>	<b>-1.2</b>	<b>202.9</b>
<b>Client AuM as at 31 Dec 2024</b>	<b>7,835</b>	<b>2,589</b>	<b>3,532</b>	–	–	<b>13,957</b>

1 Jan–31 Dec 2023

EUR million	Institutional	Corporate	Retail	With profit	Eliminations and items not allocated to the segments	Group
<b>Fee result</b>	<b>19.7</b>	<b>14.7</b>	<b>18.2</b>	–	–	<b>52.6</b>
Insurance service result	–	15.2	16.1	–	–	31.3
Fee result from investment and asset management services	19.7	-0.5	2.0	–	–	21.3
<b>Net finance result</b>	–	–	–	<b>137.8</b>	<b>10.8</b>	<b>148.6</b>
Investment return	–	–	–	307.0	10.8	317.8
Unwinding and discounting of liabilities	–	–	–	-169.1	–	-169.1
<b>Result related to risk policies</b>	–	<b>8.1</b>	<b>9.8</b>	–	–	<b>17.9</b>
CSM <sup>1</sup> and RA <sup>2</sup> release	–	15.7	10.5	–	–	26.1
Other insurance service result	–	-7.5	-0.7	–	–	-8.2
<b>Other result</b>	<b>-0.4</b>	<b>-5.0</b>	<b>-2.7</b>	<b>21.9</b>	<b>-22.5</b>	<b>-8.7</b>
<b>Profit before taxes for the period</b>	<b>19.4</b>	<b>17.8</b>	<b>25.3</b>	<b>159.7</b>	<b>-11.7</b>	<b>210.4</b>
<b>Client AuM as at 31 Dec 2023</b>	<b>6,400</b>	<b>2,272</b>	<b>3,219</b>	–	–	<b>11,892</b>

1) CSM, contractual service margin

2) RA, risk adjustment



## Reconciliation between statement of profit and loss and other comprehensive income and result by segments

Statement of P&L and OCI	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023	Result by segment
Insurance revenue	337.3	338.1	53.3	53.7	Fee result Insurance service result
			80.9	72.4	Result related to risk policies
			203.3	212.1	Other result
Insurance service expenses	-274.5	-299.0	-23.2	-22.4	Fee result Insurance service result
			-54.4	-53.1	Result related to risk policies
			-190.0	-223.5	Other result
			-7.1		Net finance result
Reinsurance result	-1.1	-1.3	-1.1	-1.3	Result related to risk policies
Insurance service result	61.7	37.8	61.7	37.8	
Net investment result	1,407.6	1,279.5	1.6	1.7	Fee result from investment and asset management services
			211.5	286.2	Net finance result
			1,194.3	991.5	Other result
Net finance income or expense from insurance contracts	-430.8	-441.1	-68.8	-137.6	Net finance result
			-362.0	-303.5	Other result
Net finance income or expenses and operating expenses from investment contracts	-831.5	-660.1	0.3	-3.7	Fee result from investment and asset management services
			-831.6	-656.4	Other result
Net financial result	145.4	178.3	145.4	178.3	
Other income	39.7	33.9	25.4	20.5	Fee result from investment and asset management services
			14.3	13.4	Other result
Other expenses	-26.2	-26.2	9.2	2.8	Fee result from investment and asset management services
			-35.3	-28.9	Other result
Finance expenses	-16.0	-11.6	-16.0	-11.6	Other result
Share of associates' profit or loss	-1.6	-1.8	-1.6	-1.8	Other result
Profit for the reporting period before taxes	202.9	210.4	202.9	210.4	

## 1 Insurance service result

EUR million	1–12/2024	1–12/2023
<b>Insurance revenue</b>	<b>337.3</b>	<b>338.1</b>
CSM release	53.4	45.9
RA release	4.9	9.5
Expected claims and expenses	250.8	258.6
Other revenue <sup>1</sup>	28.3	24.1
<b>Insurance service expenses</b>	<b>-274.5</b>	<b>-299.0</b>
Incurred claims and expenses	-277.8	-284.0
Change in LIC and loss component	3.3	-15.0
<b>Reinsurance result</b>	<b>-1.1</b>	<b>-1.3</b>
<b>Insurance service result</b>	<b>61.7</b>	<b>37.8</b>

1) Other revenue includes an experience adjustment related to premium income on short-term risk policies, which no longer affects services provided in the future.

## 2 Finance expenses from insurance contracts

EUR million	1–12/2024	1–12/2023
Changes in fair value of underlying assets of contracts measured under the VFA	-362.0	-303.5
Interest accreted	-74.8	-66.1
Effect of changes in interest rates and other financial assumptions	-1.1	-103.0
Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates	7.1	31.5
<b>Total finance income or expenses from insurance contracts</b>	<b>-430.8</b>	<b>-441.1</b>

## 3 Other operating income

Mandatum provides wealth management services to its clients. The wealth management services can take a legal form of insurance or a service contract. Operating income from management services and services related to incentive and pension arrangements are accounted for under IFRS 15 either over time or at a point in time.

Mandatum provides wealth management services through asset management contracts and investment contracts. For these services, Mandatum charges a recurring fee which is based on assets under management. Mandatum transfers the control for the services, fulfills the performance obligation and recognises the revenue over time since the client receives and consumes the service at the same time. Mandatum recognises the revenue on monthly basis when the amount of assets under management is defined.

Mandatum also provides services related to incentive and pension arrangements. Income from these services is recognised when the control of the service is transferred to the customer, usually at a point in time.

EUR million	1–12/2024	1–12/2023
Income from incentives and pension arrangements	8.1	8.0
Management fees	25.4	20.7
Other income	6.2	5.2
<b>Total</b>	<b>39.7</b>	<b>33.9</b>



**4 Personnel costs**

<b>EUR million</b>	<b>1–12/2024</b>	<b>1–12/2023</b>
Wages and salaries	48.0	46.7
Social security contributions	2.6	2.8
Pension cost	9.9	9.7
Other personnel costs	3.0	2.9
Performance bonuses	14.2	10.4
Management bonuses	3.7	1.4
Sales bonuses	3.6	3.4
<b>Total</b>	<b>85.0</b>	<b>77.3</b>

## 5 Net income from investments

EUR million	1–12/2024	1–12/2023
<b>Financial assets</b>		
<b>Derivative financial instruments</b>		
Gains/losses	-27.1	23.6
<b>Investments related to unit-linked contracts</b>		
<b>Debt securities</b>		
Interest income	84.8	64.5
Gains/losses	19.7	37.7
<b>Equity securities</b>		
Gains/losses	935.5	709.3
Dividend income	195.9	143.4
<b>Loans and receivables</b>		
Interest income	12.4	12.0
<b>Other assets</b>		
Gains/losses	-53.9	-1.8
<b>Total</b>	<b>1,194.6</b>	<b>965.1</b>
<b>Financial asset at amortized cost</b>		
Interest income	34.3	29.3
Gains/losses	-11.9	-10.2
<b>Total</b>	<b>22.4</b>	<b>19.1</b>
<b>Financial assets measured at fair value through profit or loss</b>		
<b>Debt securities</b>		
Interest income	120.4	108.0
Gains/losses	34.2	107.2
<b>Equity securities</b>		
Gains/losses	-3.4	36.7
Dividend income	74.0	41.9
<b>Total</b>	<b>225.3</b>	<b>293.9</b>
<b>Total financial assets</b>	<b>1,415.2</b>	<b>1,301.7</b>
<b>Other assets</b>		
<b>Investment properties</b>		
Valuation changes <sup>1</sup>	-4.5	-9.9
Gains/losses	-1.9	-12.5
Other	3.5	8.9
<b>Total other assets</b>	<b>-2.9</b>	<b>-13.6</b>
<b>Net fee income</b>		
Asset management	-3.3	-3.1
Fee income	-1.0	-0.1
Premiums from unit-linked contracts	-0.3	-5.6
<b>Total</b>	<b>-4.7</b>	<b>-8.7</b>
<b>Net income from investments total</b>	<b>1,407.6</b>	<b>1,279.5</b>

1) Valuation changes on investment properties include a reversal of group level historical fair value adjustments for EUR 4.6 million.

**6 Issue of shares, dividends and interest-bearing liabilities****Issue of shares**

	1–12/2024	1–12/2023	1–12/2024	1–12/2023
	Shares (thousands)	Shares (thousands)	EUR million	EUR million
Directed personnel offering	900	–	3.4	–

**Dividends**

EUR million	31 Dec 2024	31 Dec 2023
Paid dividends	165.6	150.0

**Interest-bearing liabilities**

EUR million	Lease liabilities	Subordinated debts	Other interest-bearing liabilities	Total
<b>Opening balance at 1 Jan 2024</b>	<b>23.0</b>	<b>249.8</b>	<b>103.6</b>	<b>376.5</b>
New issues		298.8	199.7	498.5
Repayment	-1.7	-249.0	-0.1	-250.9
Other changes		-0.8	17.4	16.6
<b>Closing balance at 31 Dec 2024</b>	<b>21.3</b>	<b>298.8</b>	<b>320.6</b>	<b>640.7</b>



## 7 Determination and hierarchy of fair values

Financial assets at 31 Dec 2024	Carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>					
<b>Derivative financial instruments</b>					
Interest rate swaps	23.1		23.1		23.1
Foreign exchange derivatives	0.3		0.3		0.3
<b>Total Derivative financial instruments</b>	<b>23.4</b>	<b>–</b>	<b>23.4</b>	<b>–</b>	<b>23.4</b>
<b>Assets at fair value through profit or loss</b>					
Equity securities	532.0	160.2	0.0	371.8	532.0
Debt securities	2,221.9	1,841.7	367.0	13.2	2,221.9
Investment funds	697.0	89.3	78.2	529.5	697.0
<b>Total Assets at fair value through profit or loss</b>	<b>3,450.9</b>	<b>2,091.2</b>	<b>445.2</b>	<b>914.5</b>	<b>3,450.9</b>
<b>Financial assets related to unit-linked insurance</b>					
Equity securities	706.4	629.2	2.6	74.6	706.4
Debt securities	1,103.9	170.9	898.8	34.2	1,103.9
Funds	11,162.4	7,007.2	1,170.4	2,984.9	11,162.4
Derivative financial instruments	0.3	–	0.3	–	0.3
Other assets	319.5	–	319.5	–	319.5
<b>Total Financial assets related to unit-linked insurance</b>	<b>13,292.5</b>	<b>7,807.3</b>	<b>2,391.6</b>	<b>3,093.6</b>	<b>13,292.5</b>
<b>Total financial assets at fair value</b>	<b>16,766.7</b>	<b>9,898.5</b>	<b>2,860.2</b>	<b>4,008.1</b>	<b>16,766.7</b>
<b>Other financial assets</b>					
Financial assets at amortised cost	33.0			33.0	33.0
<b>Total group financial assets</b>	<b>16,799.7</b>	<b>9,898.5</b>	<b>2,860.2</b>	<b>4,041.1</b>	<b>16,799.8</b>

<b>Financial liabilities at 31 Dec 2024</b>	<b>Carrying amount</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial liabilities at fair value through profit or loss</b>					
<b>Derivative financial instruments</b>					
Interest rate derivatives	0.4		0.4		0.4
Foreign exchange derivatives	5.4		5.4		5.4
<b>Total Derivative financial instruments</b>	<b>5.9</b>	<b>–</b>	<b>5.9</b>	<b>–</b>	<b>5.9</b>
<b>Investment contract liabilities</b>	<b>9,908.2</b>		<b>9,908.2</b>		<b>9,908.2</b>
<b>Derivative financial instruments related to unit-linked insurance</b>					
	13.9		13.9		13.9
<b>Total Financial liabilities related to unit-linked insurance</b>	<b>9,922.1</b>	<b>–</b>	<b>9,922.1</b>	<b>–</b>	<b>9,922.1</b>
<b>Total financial liabilities at fair value</b>	<b>9,927.9</b>	<b>–</b>	<b>9,927.9</b>	<b>–</b>	<b>9,927.9</b>
<b>Financial liabilities at amortised cost</b>					
Subordinated loans	298.8	305.1	–	–	305.1
Other institutional loans	300.9	–	–	298.9	298.9
<b>Total financial liabilities at amortised cost</b>	<b>599.7</b>	<b>305.1</b>	<b>–</b>	<b>298.9</b>	<b>604.1</b>
<b>Total group financial liabilities</b>	<b>10,527.6</b>	<b>305.1</b>	<b>9,927.9</b>	<b>298.9</b>	<b>10,532.0</b>

Financial assets at 31 Dec 2023	Carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>					
<b>Derivative financial instruments</b>					
Interest rate swaps	18.9	–	18.9	–	18.9
Foreign exchange derivatives	8.6	–	8.6	–	8.6
<b>Total Derivative financial instruments</b>	<b>27.4</b>	<b>–</b>	<b>27.4</b>	<b>–</b>	<b>27.4</b>
<b>Assets at fair value through profit or loss</b>					
Equity securities	300.0	232.1	–	68.0	300.0
Debt securities	2,452.4	1,933.9	501.9	16.6	2,452.4
Investment funds	770.6	106.7	72.7	591.2	770.6
<b>Total Assets at fair value through p/l</b>	<b>3,523.0</b>	<b>2,272.7</b>	<b>574.6</b>	<b>675.8</b>	<b>3,523.0</b>
<b>Financial assets related to unit-linked insurance</b>					
Equity securities	634.4	582.6	2.1	49.7	634.4
Debt securities	996.2	119.1	850.6	26.6	996.2
Funds	9,510.1	5,945.5	925.4	2,639.3	9,510.1
Derivative financial instruments	14.6	–	14.6	–	14.6
Other assets	484.5	–	484.5	–	484.5
<b>Total Financial assets related to unit-linked insurance</b>	<b>11,640.0</b>	<b>6,647.2</b>	<b>2,277.1</b>	<b>2,715.6</b>	<b>11,640.0</b>
<b>Total financial assets at fair value</b>	<b>15,190.4</b>	<b>8,919.9</b>	<b>2,879.1</b>	<b>3,391.4</b>	<b>15,190.4</b>
<b>Other financial assets</b>					
Financial assets at amortised cost	41.9	–	–	41.9	41.9
<b>Total group financial assets</b>	<b>15,232.3</b>	<b>8,919.9</b>	<b>2,879.1</b>	<b>3,433.3</b>	<b>15,232.4</b>

Financial liabilities at 31 Dec 2023	Carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial liabilities at fair value through profit or loss</b>					
<b>Derivative financial instruments</b>					
Interest rate derivatives	–	–	–	–	–
Foreign exchange derivatives	2.3	–	2.3	–	2.3
<b>Total Derivative financial instruments</b>	<b>2.3</b>	<b>–</b>	<b>2.3</b>	<b>–</b>	<b>2.3</b>
<b>Investment contract liabilities</b>	<b>8,529.3</b>		<b>8,529.3</b>		<b>8,529.3</b>
<b>Derivative financial instruments related to unit-linked insurance</b>	<b>3.8</b>	<b>–</b>	<b>3.8</b>	<b>–</b>	<b>3.8</b>
<b>Total financial liabilities at fair value</b>	<b>8,535.5</b>	<b>–</b>	<b>8,535.5</b>	<b>–</b>	<b>8,535.5</b>
<b>Financial liabilities at amortised cost</b>					
Subordinated debt securities	249.8	244.0	–	–	244.0
Subordinated loans	101.3	–	97.9	–	97.9
<b>Financial liabilities at amortised cost total</b>	<b>351.1</b>	<b>244.0</b>	<b>97.9</b>	<b>–</b>	<b>342.0</b>
<b>Total group financial liabilities</b>	<b>8,886.6</b>	<b>244.0</b>	<b>8,633.4</b>	<b>–</b>	<b>8,877.5</b>

## Sensitivity Analysis of Fair Values

EUR million	Interest rate		Credit		Equity	Other financial investments
	-100 bps parallel shift down	+100 bps parallel shift up	-50 bps parallel shift down	+50 bps parallel shift up	20% fall in prices	20% fall in prices
Effect recognised in profit/loss	119.0	-109.7	38.4	-39.5	-51.7	-190.4
<b>Total effect</b>	<b>119.0</b>	<b>-109.7</b>	<b>38.4</b>	<b>-39.5</b>	<b>-51.7</b>	<b>-190.4</b>

For interest rate instruments, the value of financial assets has been tested by assuming an increase in interest rates of 1 percentage point at all maturities and credit risk margins to change by 0.5 percentage points. For other assets, a 20% fall in prices has been assumed. Based on the above alternative assumptions, a possible increase in the interest rates and a widening of credit risk margins would result in a valuation loss before tax of EUR 149.3 million (143.9) for debt securities and possible decrease in the value of other assets would result in a valuation loss before tax of EUR 242.1 million (210.4) in the consolidated income statement. A reasonably possible profit impact would be 19.5% (17.7) in relation to the group's equity after tax. The sensitivity analysis does not include financial assets related to unit-linked insurance as Mandatum Group does not carry the investment risk.

Changes between levels	2024				2023
EUR million	Transfers from level 2 to 1	Transfers from level 1 to 2	Transfers from level 2 to 1	Transfers from level 1 to 2	
<b>Financial assets related to unit-linked insurance</b>					
Debt securities		2.2	4.0	14.4	7.1
<b>Assets at fair value through p/l</b>					
Debt securities		19.4	33.0	25.3	36.6

The transfers are mainly based on changes in trading volumes based on data from an external service provider.

**Financial instruments measured at fair value and their main valuation models**

Table shows the valuation techniques used to determine the fair value of Level 2 and Level 3 items. Table includes the most significant unobservable inputs. The impact of the unobservable input on the fair value is known for unquoted equity investments. Fair value for unquoted equity investments increases (decreases) if the expected additional returns increase (decrease) or if the discount rate is lower (higher). For other items, the information is not available.

Item	Valuation model	Significant unobservable input data
<b>Unquoted equity investment</b>	An additional return model, in which the value consists of the capital invested plus the present value of the expected additional returns.	Expected future additional revenues.
<b>Private equity funds</b>	<p>The valuation of the underlying investments is conducted by the fund manager, who has all the relevant information required for the valuation process.</p> <p>The valuation of the fund is mainly carried out on a quarterly basis based on the value of the investments below and the amount of debt.</p> <p>The valuations used are the newest available, but due to the characteristics of the asset class they are usually received a few months after the valuation date.</p> <p>Private equity funds generally follow the International Private Equity and Venture Capital Valuation (IPEV) guidelines, which describe the different valuation practices in more detail.</p>	The value of the investments and the amount of debt. The valuation of the investments may be carried out by the fund using different various models (e.g. purchase price, publicly traded peers, yield multiplier basis, or cash flow valuation).
<b>Real estate funds</b>	The valuation of the underlying investments is conducted by the fund manager who has all the relevant information required for the valuation process. Valuation of the fund is mainly done on a quarterly basis on the value of the real estate investments and the amount of debt. Valuation of the underlying real estates is mainly based on valuation document completed by authorised independent outside valuator. Net asset value of the fund is added to aggregate value of real estates.	Real estate net cash flow, expected growth for market rents, average void periods, occupancy rate, risk adjusted discount rate, amount of debt.
<b>Other alternative funds</b>	<p>The value is determined by the fund, and implementation is mainly the responsibility of the fund manager. The characteristics of other alternative funds are often complex, and the valuation depends on the nature of the underlying instruments. The valuations used are the newest available, but due to the characteristics of the asset class they are usually received a few months after the valuation date.</p> <p>The Alternative Investment Fund Managers Directive (AIFMD) regulates the operation and valuation of other alternative funds and describes in more detail the operating principles and documentation requirements for valuation.</p>	Valuation is based, for example, on cash flow valuation.
<b>Interest rate derivatives</b>	The valuation of interest rate derivatives is mainly based on a discounted cash flow valuation model.	Estimates of future variable interest rates are based on quoted derivative prices and futures' prices. Future cash flows are discounted using an interest rate curve based on market interest rates, which corresponds to the interest rate used by market participants for similar derivative products.
<b>FX derivatives</b>	The valuation of FX derivatives is mainly based on a valuation model based on discounting of cash flows and FX rates.	Valuation is based on an appropriate FX rate and an interest rate curve based on market interest rates.

## Movements in level 3 financial instruments measured at fair value

1–12/2024

EUR million	On 1 Jan	Total gains/ losses in P&L	Purchases and reclassifica tions	Sales	Settleme nts	Transfers from levels 1 and 2	Transfers to levels 1 and 2	On 31 Dec	Unrealized gains/ losses included in P&L for financial assets
<b>Financial assets 31 Dec 2024</b>									
Financial assets at fair value through profit or loss									
Equity securities	68.0	2.7	302.1	-0.9	–	–	–	371.8	3.4
Debt securities	16.6	1.0	0.3	–	-4.7	–	–	13.2	1.0
Funds	591.2	2.6	22.1	-86.5	–	–	–	529.5	3.0
<b>Total</b>	<b>675.8</b>	<b>6.3</b>	<b>324.5</b>	<b>-87.4</b>	<b>-4.7</b>	<b>–</b>	<b>–</b>	<b>914.5</b>	<b>7.4</b>
<b>Financial assets related to unit-linked insurance</b>									
Equity securities	49.7	24.2	0.7	-0.1	–	–	–	74.6	24.4
Debt securities	26.6	-0.1	11.7	-4.1	–	–	–	34.2	–
Funds	2,639.3	84.2	544.1	-282.7	–	–	–	2,984.9	81.3
<b>Total</b>	<b>2,715.6</b>	<b>108.3</b>	<b>556.5</b>	<b>-286.8</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3,093.6</b>	<b>105.6</b>
<b>Total financial assets at fair value</b>	<b>3,391.4</b>	<b>114.6</b>	<b>881.0</b>	<b>-374.2</b>	<b>-4.7</b>	<b>–</b>	<b>–</b>	<b>4,008.1</b>	<b>113.0</b>

1–12/2023

EUR million	On 1 Jan	Total gains/ losses in P&L	Purchases and reclassifica tions	Sales	Settleme nts	Transfers from levels 1 and 2	Transfers to levels 1 and 2	On 31 Dec	Unrealized gains/ losses included in P&L for financial assets
<b>Financial assets 31 Dec 2023</b>									
Financial assets at fair value through profit or loss									
Equity securities	16.4	-4.1	55.7	–	–	–	–	68.0	-4.1
Debt securities	13.4	-2.1	27.4	-21.4	-0.6	–	–	16.6	0.1
Funds	593.6	-0.5	50.1	-52.0	–	–	–	591.2	0.2
<b>Total</b>	<b>623.4</b>	<b>-6.8</b>	<b>133.1</b>	<b>-73.4</b>	<b>-0.6</b>	<b>–</b>	<b>–</b>	<b>675.8</b>	<b>-3.9</b>
<b>Financial assets related to unit-linked insurance</b>									
Equity securities	31.3	10.1	8.5	-0.2	–	–	–	49.7	10.3
Debt securities	94.3	-0.6	21.5	-86.2	-2.5	–	–	26.6	-0.9
Funds	2,327.0	4.4	556.0	-248.1	–	–	–	2,639.3	1.5
<b>Total</b>	<b>2,452.7</b>	<b>13.9</b>	<b>586.0</b>	<b>-334.5</b>	<b>-2.5</b>	<b>–</b>	<b>–</b>	<b>2,715.6</b>	<b>11.0</b>
<b>Total financial assets at fair value</b>	<b>3,076.1</b>	<b>7.1</b>	<b>719.1</b>	<b>-407.9</b>	<b>-3.1</b>	<b>–</b>	<b>–</b>	<b>3,391.4</b>	<b>7.1</b>



**Sensitivity analysis of level 3 financial instruments at fair value**

EUR million	2024		2023	
	Carrying amount	Effect of reasonably possible alternative assumptions (+/-)	Carrying amount	Effect of reasonably possible alternative assumptions (+/-)
<b>Financial assets</b>				
<b>Financial assets at fair value</b>				
Equity securities	371.8	-73.9	68.0	-13.1
Debt securities	13.2	-0.1	16.6	-0.1
Funds	529.5	-105.9	591.2	-118.2
<b>Total</b>	<b>914.5</b>	<b>-179.8</b>	<b>675.8</b>	<b>-131.5</b>

For interest rate instruments, the value of financial assets was tested by assuming an increase in interest rates of 1 percentage point at all maturities. For other assets, a 20% fall in prices was assumed. Based on the above alternative assumptions, a reasonably possible increase in the interest rates would result in valuation loss before tax of EUR 0.1 million (0.1) for debt securities, and a possible decrease in the value of other assets would result in valuation loss before tax of EUR 179.7 million (131.3) in the consolidated financial statement. A profit impact after tax of 9.0% (6.6) in relation to the Group's equity would be very likely. The sensitivity analysis does not include financial assets related to unit-linked insurance as Mandatum Group does not carry the investment risk.

**8 Investment property**

EUR million	2024	2023
<b>Net carrying amount at 1 Jan</b>	<b>125.7</b>	<b>165.5</b>
Disposals	-0.3	-13.9
Net gains and losses from fair value adjustments	-5.5	-26.0
<b>Net carrying amount at 31 Dec</b>	<b>119.8</b>	<b>125.7</b>
<b>Rental income from investment property</b>	<b>12.7</b>	<b>14.8</b>



## 9 Analyses of changes in insurance contract liabilities

The analyses of change in insurance contract liabilities are presented by measurement model (GMM and VFA) in the consolidated financial statements for 2024.

### Analysis of change by type of insurance contract liability

EUR million	31 Dec 2024			
	Liabilities for remaining coverage			
	LRC Excl. LC	LRC LC	LIC	Total
Opening balance - liabilities relating to insurance contracts	5,480.6	16.5	21.2	5,518.3
Opening balance - assets relating to insurance contracts	-20.3	0.5	4.7	-15.1
<b>Net opening balances on 1st January</b>	<b>5,460.3</b>	<b>17.0</b>	<b>25.9</b>	<b>5,503.2</b>
<b>Insurance revenue</b>	<b>-337.3</b>	–	–	<b>-337.3</b>
<b>Insurance service expenses</b>				
Incurred claims and other insurance service expenses	–	-2.4	252.1	249.7
Adjustments to liabilities for incurred claims	–	–	2.1	2.1
Losses and reversals of losses on onerous contracts	–	-2.9	–	-2.9
Amortisation of insurance acquisition cash flows	25.7	–	–	25.7
<b>Insurance service result</b>	<b>-311.7</b>	<b>-5.4</b>	<b>254.2</b>	<b>-62.8</b>
<b>Finance income or expenses from insurance contracts</b>	<b>430.7</b>	<b>0.1</b>	–	<b>430.8</b>
<b>Changes in the statement of profit or loss</b>	<b>119.1</b>	<b>-5.3</b>	<b>254.2</b>	<b>368.0</b>
<b>Investment component</b>	<b>-220.9</b>	–	<b>220.9</b>	<b>0.0</b>
<b>Cash flows during the period</b>				
Premiums received	253.3	–	–	253.3
Claims and other insurance service expenses paid	–	–	-479.3	-479.3
Insurance acquisition cash flows	-5.6	–	–	-5.6
<b>Cash flows during the period</b>	<b>247.7</b>	–	<b>-479.3</b>	<b>-231.7</b>
<b>Net closing balance</b>				
Closing balance - liabilities relating to insurance contracts	5,611.0	11.7	18.0	5,640.7
Closing balance - assets relating to insurance contracts	-4.8	–	3.7	-1.1
<b>Net closing balances on 31st December</b>	<b>5,606.2</b>	<b>11.7</b>	<b>21.7</b>	<b>5,639.6</b>

EUR million	31 Dec 2023			
	Liabilities for remaining coverage			
	LRC Excl. LC	LRC LC	LIC	Total
Opening balance - liabilities relating to insurance contracts	5,295.2	3.6	21.6	5,320.3
Opening balance - assets relating to insurance contracts	-10.4	0.5	3.6	-6.2
<b>Net opening balances on 1st January</b>	<b>5,284.8</b>	<b>4.1</b>	<b>25.2</b>	<b>5,314.1</b>
<b>Insurance revenue</b>	<b>-338.1</b>			<b>-338.1</b>
<b>Insurance service expenses</b>				
Incurred claims and other insurance service expenses		-3.0	264.8	261.8
Adjustments to liabilities for incurred claims			2.1	2.1
Losses and reversals of losses on onerous contracts		15.9		15.9
Amortisation of insurance acquisition cash flows	19.3			19.3
<b>Insurance service result</b>	<b>-318.8</b>	<b>12.9</b>	<b>266.9</b>	<b>-39.1</b>
<b>Finance income or expenses from insurance contracts</b>	<b>441.1</b>	<b>0.0</b>		<b>441.1</b>
<b>Changes in the statement of profit or loss</b>	<b>122.3</b>	<b>12.9</b>	<b>266.9</b>	<b>402.0</b>
<b>Investment component</b>	<b>-203.5</b>		<b>203.5</b>	<b>0.0</b>
<b>Cash flows during the period</b>				
Premiums received	261.6			261.6
Claims and other insurance service expenses paid			-469.7	-469.7
Insurance acquisition cash flows	-4.8			-4.8
<b>Cash flows during the period</b>	<b>256.8</b>		<b>-469.7</b>	<b>-212.9</b>
<b>Net closing balance</b>				
Closing balance - liabilities relating to insurance contracts	5,480.6	16.5	21.2	5,518.3
Closing balance - assets relating to insurance contracts	-20.3	0.5	4.7	-15.1
<b>Net closing balances on 31st December</b>	<b>5,460.3</b>	<b>17.0</b>	<b>25.9</b>	<b>5,503.2</b>

**Analysis of change by component of insurance contract liability**

EUR million	31 Dec 2024			
	Present Value of Future Cash Flows	Risk adjustment for non- financial risk	CSM	Total
Opening balance - liabilities relating to insurance contracts	5,098.3	43.5	376.4	5,518.3
Opening balance - assets relating to insurance contracts	-105.1	5.8	84.2	-15.1
<b>Net opening balances on 1st January</b>	<b>4,993.2</b>	<b>49.4</b>	<b>460.6</b>	<b>5,503.2</b>
<b>Changes that relate to current service</b>				
CSM recognised in profit or loss			-53.4	-53.4
Change in risk adjustment for non-financial risk for risk expired		-5.1		-5.1
Experience adjustments	-3.4			-3.4
<b>Changes that related to future service</b>				
Changes in estimates that adjust the CSM <sup>1</sup>	187.2	6.2	-193.5	0.0
Changes in estimates that result in losses and reversal of losses on onerous contracts	-3.1	0.2		-2.9
Contracts initially recognised in the period	-13.8	1.4	12.4	0.0
<b>Changes that relate to past services</b>				
Adjustments to liabilities for incurred claims	2.1			2.1
<b>Insurance service result</b>	<b>169.0</b>	<b>2.7</b>	<b>-234.5</b>	<b>-62.8</b>
<b>Finance income or expenses from insurance contracts</b>	<b>157.6</b>	<b>0.9</b>	<b>272.3</b>	<b>430.8</b>
<b>Changes in the statement of profit or loss</b>	<b>326.6</b>	<b>3.6</b>	<b>37.9</b>	<b>368.0</b>
<b>Total cash flows</b>	<b>-231.7</b>			<b>-231.7</b>
<b>Net closing balance</b>				
Closing balance - liabilities relating to insurance contracts	5,177.7	44.9	418.1	5,640.7
Closing balance - assets relating to insurance contracts	-89.5	8.1	80.3	-1.1
<b>Net closing balances on 31st December</b>	<b>5,088.2</b>	<b>52.9</b>	<b>498.5</b>	<b>5,639.6</b>

1) Previously experience adjustment arising from premiums received in the period relating to future services were reported on a separate row, now information is combined to the row Changes in estimates that adjust the CSM.

EUR million	31 Dec 2023			
	Present Value of Future Cash Flows	Risk adjustment for non- financial risk	CSM	Total
Opening balance - liabilities relating to insurance contracts	4,873.6	47.5	399.2	5,320.3
Opening balance - assets relating to insurance contracts	-80.8	5.6	68.9	-6.2
<b>Net opening balances on 1st January</b>	<b>4,792.9</b>	<b>53.2</b>	<b>468.1</b>	<b>5,314.1</b>
<b>Changes that relate to current service</b>				
CSM recognised in profit or loss			-45.9	-45.9
Change in risk adjustment for non-financial risk for risk expired	–	-8.7	–	-8.7
Experience adjustments	-2.5	–	–	-2.5
<b>Changes that related to future service</b>				
Changes in estimates that adjust the CSM <sup>1</sup>	207.8	-1.9	-205.9	0.0
Changes in estimates that result in losses and reversal of losses on onerous contracts	16.5	-0.7		15.9
Contracts initially recognised in the period	-18.2	2.3	15.9	0.0
<b>Changes that relate to past services</b>				
Adjustments to liabilities for incurred claims	2.1	–	–	2.1
<b>Insurance service result</b>	<b>205.8</b>	<b>-9.0</b>	<b>-235.9</b>	<b>-39.1</b>
<b>Finance income or expenses from insurance contracts</b>	<b>207.5</b>	<b>5.2</b>	<b>228.4</b>	<b>441.1</b>
<b>Changes in the statement of profit or loss</b>	<b>413.3</b>	<b>-3.8</b>	<b>-7.5</b>	<b>402.0</b>
<b>Total cash flows</b>	<b>-212.9</b>			<b>-212.9</b>
<b>Net closing balance</b>				
Closing balance - liabilities relating to insurance contracts	5,098.3	43.5	376.4	5,518.3
Closing balance - assets relating to insurance contracts	-105.1	5.8	84.2	-15.1
<b>Net closing balances on 31st December</b>	<b>4,993.2</b>	<b>49.4</b>	<b>460.6</b>	<b>5,503.2</b>

1) Previously experience adjustment arising from premiums received in the period relating to future services were reported on a separate row, now information is combined to the row Changes in estimates that adjust the CSM.

**10 Investment contract liabilities**

EUR million	1–12/2024	1–12/2023
<b>Opening balance - investment contract liabilities</b>	<b>8,529.3</b>	<b>7107,0</b>
<b>Amounts recognised in profit or loss</b>		
Investment return on underlying items	831.8	656,6
Fees deducted	-61.7	-52,8
<b>Total cash flows</b>		
Contribution received <sup>1</sup>	1,435.0	1 421,5
Benefits paid	-826.2	-602,9
<b>Closing balance - investment contract liabilities</b>	<b>9,908.2</b>	<b>8 529,3</b>

1) Includes transfers from WIP

## 11 Related party disclosures

Mandatum Group's related parties include subsidiaries and associates. Related parties further include the Mandatum Group's key management personnel and their close family members. The key management personnel of the Mandatum Group are the members of the Board of Directors of Mandatum plc, the CEO and the Mandatum Group's Group Executive Committee. Related parties include close family members of the aforementioned individuals and further include entities in which the key management personnel or their close family members have control or significant influence.

EUR million	2024	2023
<b>Remuneration of the Board of Directors</b>		
Patrick Lapveteläinen	0.8	0.1
Markus Aho	0.1	–
Jannica Fagerholm	0.1	–
Herman Korsgaard (starting from 15 May 2024)	0.1	–
Kimmo Laaksonen	0.1	–
Johanna Lamminen	0.1	–
Jukka Ruuska	0.1	–
<b>Total</b>	<b>1.3</b>	<b>0.1</b>

Remuneration of the Board of Directors is reported on payment basis

EUR million	2024	2023
<b>Remuneration of Group Executive Director</b>		
Short-term employee benefits	0.5	0.4
Post-employment benefits	0.4	0.2
Share-based payments	1.0	0.6
<b>Total</b>	<b>1.9</b>	<b>1.2</b>

EUR million	2024	2023
<b>Remuneration of other key management</b>		
Short-term employee benefits	1.8	1.5
Post-employment benefits	0.4	0.4
Share-based payments	1.7	1.2
<b>Total</b>	<b>3.9</b>	<b>3.1</b>

EUR million	2024	2023
<b>Related party transactions</b>		
Dividends paid	–	150.0
Mandatum's share of Sampo plc's general liabilities	–	102.0
Repayments of subordinated loans	–	100.0
Management fees	–	1.2
Repurchases of investment contracts	–	1.8
Service purchases	–	0.4

EUR million	2024	2023
<b>Receivables</b>	<b>–</b>	<b>0.1</b>
<b>Liabilities</b>	<b>–</b>	<b>0.1</b>

**Transactions during the financial year ending 31 Dec 2024**

There have been no material transactions with related parties during fiscal year 2024. Mandatum Group's related parties have insurance and wealth management contracts on normal terms and conditions. Contracts are not material.

*Transactions during the financial period ending 31 Dec 2023*

Sampo Group and Sampo Group key management personnel and their related parties were included in Mandatum Group related party until 30 September 2023. Transactions during fiscal year 2023 included transactions with Sampo Group including management fees and service purchases and transactions completed in the Sampo partial demerger process.

**12 Contingent liabilities and commitments**

EUR million	12/2024	12/2023
<b>Off-balance sheet items</b>		
Fund commitments	2,146.1	2,006.5
Acquisition of IT software	10.2	10.8
<b>Total</b>	<b>2,156.3</b>	<b>2,017.3</b>
<b>Assets pledged as security for derivative contracts</b>		
Cash	31.6	26.8

**13 Significant events after the reporting period**

There have been no significant events after the reporting period.



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