



8) MANDATUM

ANNUAL REPORT
2024

Mandatum in brief

ADDED VALUE THROUGH EXPERTISE IN WEALTH MANAGEMENT AND LIFE INSURANCE

Mandatum is a major financial services provider that combines expertise in wealth management and life insurance. Mandatum offers clients a wide array of services covering asset and wealth management, savings and investment, compensation and rewards as well as pension plans and personal risk insurance. Mandatum offers services to corporate, retail, institutional and wealth management clients. At the centre of Mandatum's success are highly skilled personnel, a strong brand as well as a proven investment track record.

VALUES

- Benefit the client
- By far the most active
- Straight talk
- As one team
- Daring to be different
- Will to win

PRODUCTS AND SERVICES

- Private wealth management and asset management
- Investment and saving solutions
- Pension solutions
- Corporate wealth management and insurance
- Compensation and reward services
- Personal insurance
- Mandatum Trader online trading platform

OFFICES AND KEY MARKETS

- 10 in Finland
- 1 in Sweden
- 1 in Luxembourg

In addition to Finland, Mandatum has institutional asset management clients in other Nordic countries, especially in Sweden and Denmark.



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A separate Sustainability Review has been published as part of Mandatum's annual reporting for 2024. The reporting is complemented by Mandatum's solvency and financial condition reports for 2024. You can find all the reports at mandatum.fi/en/year2024.

This PDF report is a voluntary publication and it is not an XHTML document compliant with the ESEF (European Single Electronic Format) regulation.

YEAR 2024

KEY FIGURES

Client assets under management
on 31 December 2024

EUR **14.0** billion
(11.9)

Net flow 1-12/2024

EUR **983** million
(754)

Dividend proposal for 2024

EUR **332** million

Solvency ratio on 31 December 2024

210%
(221)

Market value on 31 December 2024

EUR **2.3** billion
(2.0)

Shareholders on 31 December 2024, over

213,000

Private clients approx.

250,000

Corporate and institutional clients approx.

20,000

Employees approx.

670

CEO's review

SUCCESSFUL YEAR 2024

The year 2024 was Mandatum's first full year as a listed company, and I am very pleased with our achievements. The key metrics of our growth strategy – client assets under management and net flow – increased strongly, and the year was marked by several great achievements and successes in our business operations, customer satisfaction and sustainability.

In the long term, Mandatum seeks growth in its capital-light business areas, which are Institutional and wealth management, Corporate clients and Retail clients. At the same time, we aim to scale down the capital-heavy with-profit business.

Overall, we progressed towards our targets as planned in 2024. The strongest growth in assets under management came from Institutional and wealth management and particularly from international clients, which testifies not only to huge market potential, but also to the appeal of our investment products internationally. We have succeeded in increasing our market share in all of the Institutional and wealth management client segments.

In corporate clients, Mandatum focuses on maintaining and further strengthening its

strong market position. We are the clear market leader in corporate supplementary pension products and personnel funds, and we also hold a strong position in life insurance policies taken out by companies.

In retail clients, we continued our successful co-operation with Danske Bank. The year was game-changing as both investment sales and loan insurance sales started to increase.

ON THE RIGHT GROWTH PATH

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 Group's client assets under management grew by 17 per cent to EUR 14 billion during the year, thanks to successful sales, high customer satisfaction and a positive market return.

The strongest growth in client assets under management – up as much as by 22 per cent from the previous year – was seen in Institutional and wealth management, which is at the core of our growth strategy. The increase in Corporate clients' assets under management was 14 per cent and in Retail



clients 10 per cent. We reached an annual net flow of close to EUR 1 billion, something we can be particularly proud of. The fee result, which describes the progress of our growth strategy and particularly the development of Institutional and wealth management, increased by 27 per cent from the previous year to EUR 67 million.

In terms of our objective to grow internationally, we made great progress in 2024, and our award-winning investment expertise was in high demand also beyond Finland. The growth in client assets under management was strong particularly in Sweden and Denmark, and new clients were acquired also from Central Europe. Demand was driven by, among others, the Mandatum Nordic High Yield Total Return Fund. In 2024, the fund was once again awarded as Europe's best fund investing in high yield bonds. Our senior loan and private debt products also represent top-level expertise in their field.

CLIENTS FIRST

Clients determine the success of our business, and I am very pleased with the feedback received during the year. Our customer satisfaction remained at an excellent level with the Net Promoter Score being 78.5.

The quality of our customer service was highlighted also in a survey conducted by SFR Research, which selected Mandatum Asset Management as the top institutional asset manager in the large corporates'

category among more than 100 Finnish institutional investors. Mandatum received the highest grades in its category for its long-term investment returns, market view and the clarity of its investment process. In addition to customer service, we were also praised for our product offering and reporting service.

SUSTAINABLY AND RESPONSIBLY

Sustainability aspects are a recurring topic in several of our stakeholder discussions and we continuously develop our sustainability efforts. In 2024, we updated the sustainability strategy guiding the company's sustainability work and management, joined the Net Zero Asset Managers initiative that aims to reduce the emissions from investments to net zero, and published a Sustainable Insurance Policy.

The long-term sustainability efforts were also reflected in the UN Principles for Responsible Investment's (PRI) 2024 assessment, in which Mandatum achieved the highest star scores in several categories. Direct private equity investments were included in the assessment for the first time and scored five stars – an achievement we can be very proud of. In addition, Mandatum's special common fund investing in real estate achieved the highest rating of five stars in the Global Real Estate Sustainability Benchmark (GRESB) assessment, placing third in both its Finnish and European peer groups. Mandatum's direct real estate

investments and special common fund both received again the Green Star designation as an indication of excellent management and sustainability actions.

Our active sustainability work was also reflected in the company's ESG ratings that were updated during the year. In the Sustainalytics ESG Risk Rating updated in December, Mandatum was ranked in the low ESG risk category and placed in the top two per cent among companies in the asset management and custody services sub-industry. In the MSCI assessment updated in November, Mandatum achieved an ESG rating of "AA", and the company was awarded the Prime status by ISS ESG in October.

Mandatum publishes its first ever Sustainability Statement for the financial year 2024 in accordance with the EU Corporate Sustainability Reporting Directive (CSRD) and the relevant national legislation. In addition, we publish a separate Sustainability Review.

LEADING BY EXAMPLE

Employee well-being has long been a strategic choice for Mandatum, as we believe that a strong corporate culture is reflected in both excellent employee experience and high customer satisfaction. In 2024, Mandatum earned, for the third consecutive year, the Future Workplaces certificate for managing its corporate culture with an exceptionally high level of employee insight.

The objectives of the personnel offering arranged in August were to encourage our employees to own Mandatum's shares and commit them to the company's long-term goals. These objectives were met beyond expectations, as the personnel offering was oversubscribed and more than half of our personnel participated in the offering.

EYES ON THE GOALS

By keeping our eyes firmly on our goals, we create the best value for all our stakeholders. For our shareholders, the Group's solid solvency position, the capital-light business result and the capital released from the with-profit business enable attractive dividends. 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 dividend of 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.

I want to thank both our employees and our clients for the past year. A heartfelt thank you also goes to our shareholders for their trust and to all our partners for good cooperation. Heading into 2025, we are in a good position.

Petri Niemisvirta

Group CEO
Mandatum

Year 2024

HIGHLIGHTS



Q1

FUTURE WORKPLACES CERTIFICATE THIRD YEAR IN A ROW

Mandatum earned the Future Workplaces certificate for the third year in a row. It is based on Signi's employee survey and awarded to companies where the corporate culture is managed based on exceptionally good employee insight.

MANDATUM'S NORDIC HIGH YIELD FUND SELECTED AGAIN BEST IN EUROPE

The Mandatum Nordic High Yield Total Return Fund, which invests in high-yield corporate bonds, was recognised by the LSEG Lipper Fund Awards 2024. It was selected both as the 'Best Fund over 3 years' and 'Best Fund over 5 years' in the Bond Europe High Yield category.



Q2

MANDATUM'S SURVEY: MONETARY COMPENSATION MOTIVATES

Finnish employees are most motivated by monetary compensation, the meaningfulness of their work and a permanent employment relationship, revealed Mandatum's Reward and Compensation in Finland 2024 survey. The results are based on a survey, which assessed the reward models used by Finnish companies, as well as how employees and management see these systems' impact on motivation and performance.

FIRST ANNUAL GENERAL MEETING GATHERED HUNDREDS OF SHAREHOLDERS

Mandatum plc's first Annual General Meeting (AGM) on 15 May brought together hundreds of shareholders to the Helsinki Expo and Convention Centre. Before the start of the meeting, Mandatum's business area representatives held a panel discussion regarding the company. The AGM was opened by the Chair of the Board of Directors **Patrick Lapveteläinen**, and in his review, Mandatum Group's CEO **Petri Niemisvirta** presented the company's objectives.

MANDATUM AIMS FOR NET-ZERO EMISSIONS FROM ITS INVESTMENTS

Mandatum committed to achieving net-zero emissions from its investments by 2050 and joined the global Net Zero Asset Managers (NZAM) initiative.

MAM GROWTH EQUITY II BECOMES FINLAND'S LARGEST ACTIVE GROWTH FUND

The subscription period for the Mandatum Growth Equity II fund ended in September after it successfully raised EUR 140 million. After its closing, the fund has focused on finding suitable investment opportunities, targeting companies that have passed the startup phase and have a turnover of at least EUR 10 million.



FIRST YEAR AS A LISTED COMPANY

On 2 October, Mandatum celebrated its one-year anniversary as an independent listed company. At the Stock Exchange Gala organised in January, Mandatum received the IPO of the Year 2023 award, and according to the jury, the IPO will be remembered as an exemplary demerger.

MANDATUM LIFE ISSUED EUR 300 MILLION IN TIER 2 NOTES

The bond issue received a very positive response from the market. Investors' interest was strong and the order book included orders worth more than one billion euros from more than 120 Nordic and international investors.

Q3

PERSONNEL OFFERING OVERSUBSCRIBED

In August, Mandatum's Board of Directors resolved on a personnel offering based on the authorisation granted by the Annual General Meeting. Due to strong demand, the personnel offering was oversubscribed and in the end, the Board approved the subscription of a total of 900,000 new shares. Almost 400 Mandatum employees, i.e. more than half of the personnel, gave subscription commitments.

"The purpose of the offering was to encourage our personnel to acquire and own Mandatum's shares and to commit them to our long-term strategy and goals. We succeeded very well in this," commented **Patrick Lapveteläinen**, Chair of the Board of Directors of Mandatum.

Q4

SUCCESS IN SUSTAINABILITY ASSESSMENTS

Mandatum received excellent scores in the UN Principles for Responsible Investment 2024 assessment, which covered the 2023 financial year. Mandatum achieved the highest star scores in several categories. In addition, the special common fund Mandatum AM Finland Properties II, managed by Mandatum, received five stars in the Global Real Estate Sustainability Benchmark (GRESB) assessment. It placed third in both its Finnish and European peer groups. Mandatum's direct real estate investments and Finland Properties II both received again a Green Star designation recognising excellent management and sustainability efforts.

SFR RESEARCH: MANDATUM FINLAND'S BEST INSTITUTIONAL ASSET MANAGER

Mandatum received the highest award, i.e. the Platinum Award, in Scandinavian Financial Research's 'Institutional Investment Services 2024' survey. In the annual survey, over 100 Finnish institutional investors evaluated the performance of 17 institutional asset management service providers. Mandatum Asset Management ranked as the top institutional asset manager in the category of large companies, together with two other firms.

LIFE INSURANCE PORTFOLIO SUCCESSFULLY TRANSFERRED TO IF

Mandatum Life and If Livförsäkring AB successfully completed a portfolio transfer wherein Mandatum Life transferred to If Livförsäkring's branch in Finland approximately 50,000 life insurance contracts that were sold and managed by If P&C Insurance Ltd's branch in Finland.

PENSION FUND SERVICES BUSINESS SOLD TO PORASTO

Mandatum Life Services Ltd sold its pension fund services business operations to Porasto Oy. The transaction covered pension fund governance services, employer services regarding benefit calculations and reporting in accordance with the IFRS/USGAAP requirements, and the services provided to companies regarding the calculation and payment of retirement promises.

Strategy and business model

GROWTH FROM CAPITAL-LIGHT BUSINESS

Mandatum’s long-term strategy is to grow in the capital-light business areas, i.e. in Wealth management, Corporate clients and Retail clients, while scaling down the capital-heavy with-profit business in a planned and predictable manner. This strategy has been in place since the early 2000s, when sales of new with-profit pension insurance policies were discontinued and the company started building growth in the capital-light business areas.

At the core of the growth strategy are high-quality products that stand out and a leading market position in Corporate clients. Growth is sought both in Finland and internationally – in particular in Sweden and Denmark. Regarding products and services, Mandatum focuses on further improving, cross-utilising and expanding its comprehensive offering.

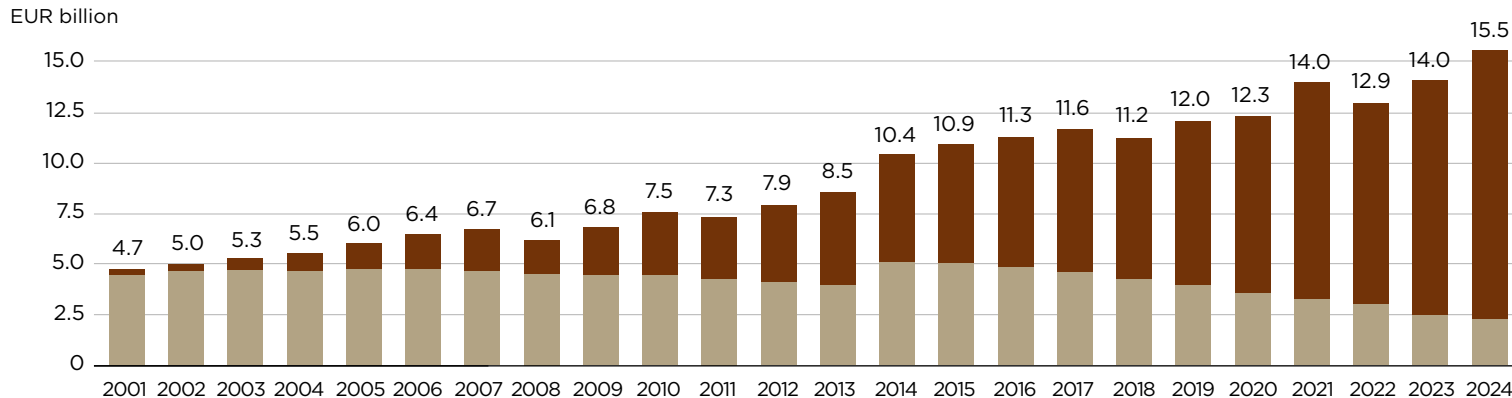
- **In the capital-light business**, the strategy is to further increase the volume of assets under management and the fee-generating business.
- **In the with-profit business**, the strategy is to seek a good investment return with moderate risk, and to free up capital as the insurance portfolio becomes smaller.

STRATEGY PROGRESS IN 2024

The implementation of Mandatum’s strategy moved forward as planned in 2024. Net flow increased by 30 per cent to almost EUR one billion. Mandatum was able to grow its business despite the market situation. The fee result, which reflects the progress of our growth strategy and particularly the development of Institutional and wealth management, increased by 27 per cent from the previous year to EUR 67 million. This was the result of both robust growth in client assets under management (AuM) and improved cost-effectiveness. The Group’s client AuM increased by 17 per cent from the previous year and amounted to EUR 14 billion.

The strategy progress made by each business area is discussed in more detail in the next section **Business areas**. The company’s financial targets are presented in the **Report of the Board of Directors**.

Development of Mandatum’s unit-linked and with-profit liabilities



■ Unit-linked liabilities
■ With-profit liabilities

BUSINESS MODEL

Mandatum's key success factor is its ability to target its diverse service offering precisely to match the situations and needs of different client segments. With this operating model, the company aims to generate added value for both clients and Mandatum's own business. In distributing products and services, the company's skilled sales and customer relations are a key strength.

Mandatum focuses on understanding its client needs and the long-term management of client relations, and strives to be resilient to market movements. Its own strong sales force and an efficient distribution network protect Mandatum's market position. At the same time, the company focuses on profitable growth and improving the efficiency of its operating model.

CAPITAL-LIGHT BUSINESS			WITH-PROFIT BUSINESS
INSTITUTIONAL & WEALTH MANAGEMENT	CORPORATE CLIENTS	RETAIL CLIENTS	
OBJECTIVE Increase assets under management and market share profitably.	OBJECTIVE Increase the number of clients and assets under management. Direct clients to wealth management.	OBJECTIVE Turn netflow into growth and reinforce key distribution partnerships.	OBJECTIVE Effectively decrease insurance portfolio to free up capital and finance growth initiatives.
CLIENTS Institutional investors (in Finland and Nordics), corporations and high-net-worth individuals. New institutional clients are sought in other European countries as well.	CLIENTS Large and medium-sized companies and smaller companies and entrepreneurs.	CLIENTS Retail clients, the majority of whom are served through partnerships, in particular via Danske Bank.	CLIENTS Retail and corporate clients who have with-profit pension insurance.
PRODUCTS AND SERVICES A wide range of wealth management and asset management services. Diverse investment solutions in different asset classes, such as fixed income, alternatives and equities.	PRODUCTS AND SERVICES Comprehensive compensation and reward services, including personnel funds, risk insurance and group pension insurance policies. In addition, personal insurance, savings and investment services to companies and entrepreneurs.	PRODUCTS AND SERVICES Loan insurance for housing loans, unit-linked investment insurance and capital redemption policies through Danske Bank. Individual risk insurance policies to retail clients through Mandatum. For independent investors, on-line trading service Mandatum Trader.	PRODUCTS AND SERVICES With-profit insurance policies, i.e. pension insurance policies sold in the 1980s and 1990s. Sales discontinued in the early 2000s; the insurance portfolio expected to continue decreasing relatively sharply in the coming years.

SUSTAINABILITY

Mandatum seeks to create value, influence and manage risks from the perspective of sustainability themes that are significant for the company and society. Mandatum's sustainability encompasses 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.

RESPONSIBLE INVESTMENT

In Mandatum's view, companies that operate responsibly perform better. By investing responsibly itself, Mandatum makes better-justified investment decisions that align with its long-term sustainability and risk management objectives.

Responsible investment involves managing assets in a way that considers environmental, social, and governance (ESG) matters in investment analysis, decision-making and reporting on investments.

Mandatum aims to both understand and account for sustainability risks and opportunities related to its investments and to identify and mitigate the adverse impacts of its investment activities on the environment, climate, society, employees, human rights and matters related to combating corruption and bribery.

PROMOTING FINANCIAL SECURITY AND A GOOD WORKING LIFE

Through its business operations, Mandatum strives to improve the financial security of its clients and promote responsible HR practices of its client companies.

The company offers its clients options for voluntary preparedness that supplement statutory social security. Preparedness and wealth creation also generate value for society.

Mandatum's goal is to actively promote responsible compensation in Finnish companies. Well-managed and well-led business operations strengthen the conditions for success and create well-being among the company's employees.

RESPONSIBILITY IN MANDATUM'S OWN OPERATIONS

Responsibility for employees and sustainable operating methods is part of building a successful business. The well-being of employees is one of Mandatum's strategic goals. By taking care of it, Mandatum also enhances the company's operational capability and profitability.

Sustainable business management and practices form the foundation of Mandatum's operations. Good governance ensures that Group companies and their personnel, suppliers and other partners comply with laws, regulations, and generally accepted principles.

Financial responsibility means ensuring the continuity, profitability, earnings power and solvency of operations in all market conditions. Ensuring continuity creates the foundation for the sustainable and responsible management of clients' insurance-related liabilities and clients' investments and pensions for decades. That is why risk management is also a key component of Mandatum's financial responsibility.

In addition to paying taxes and creating employment, Mandatum's services generate societal added value. Investment, insurance and reward and compensation products and services are part of the societal infrastructure that enables the functioning of a modern society and economy.

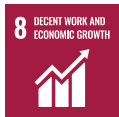
UN'S SUSTAINABLE DEVELOPMENT GOALS

The UN Agenda 2030 and its 17 main goals aim at sustainable development that comprehensively takes into account the environment, economy and people.

Mandatum is committed to promoting the UN Sustainable Development Goals (SDGs), four of which are particularly relevant to the company's operations and impacts:



SDG 3 Good health and well-being – Mandatum promotes the well-being of its clients through financial preparedness and wealth creation.



SDG 8 Decent work and economic growth – Employee satisfaction is a strategic goal for Mandatum, and the working conditions of investee companies are also monitored, and companies are engaged on a case-by-case basis. In its business operations, Mandatum aims for sustainable growth and a positive customer experience.



SDG 13 Climate action – Mandatum promotes climate action both in its investment activities and own operations.



SDG 16 Peace, justice and strong institutions – Good governance is the foundation for Mandatum's business, and the company also develops the good governance of its client companies through offering rewards and compensation services which promote responsible business.

MANDATUM PUBLISHES TWO SUSTAINABILITY-RELATED REPORTS FOR 2024:

- a Sustainability Statement based on the EU Corporate Sustainability Reporting Directive (CSRD) as part of the Report of the Board of Directors and
- a separate Sustainability Review, which presents a summary of Mandatum's sustainability areas and significant actions and results.

Mandatum reports in accordance with the CSRD and the European Sustainability Reporting Standards (ESRS) required under the directive for the first time for 2024. Read the Sustainability Statement [here](#).



MARKET ENVIRONMENT

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,

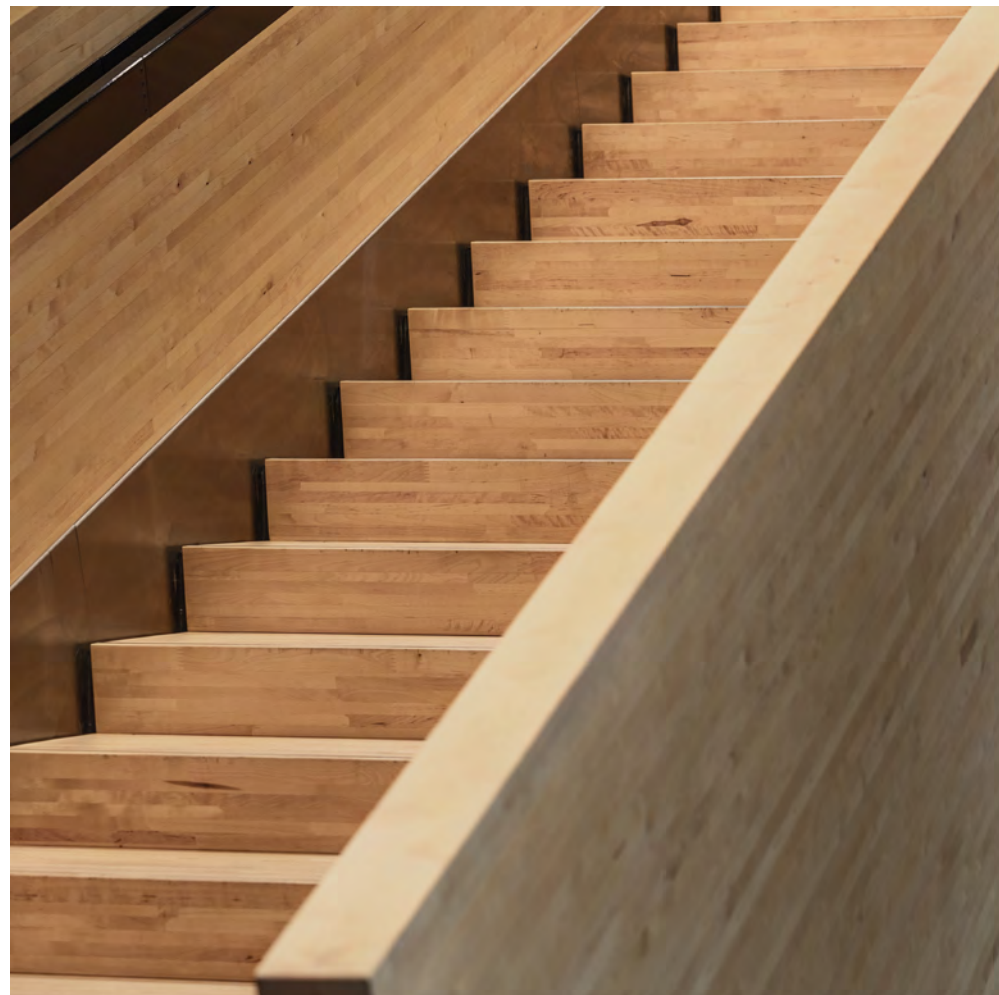
especially in the USA, but as the outlook shifted, market rates rose early in the year. Interest rates began to fall in the summer, but rose again during the latter part of the year as inflation accelerated.

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.



Business areas

INSTITUTIONAL & WEALTH MANAGEMENT

Mandatum offers a wide range of wealth management and asset management services with diverse investment solutions. Clients include Finnish and international institutional investors and Finnish companies and high-net-worth individuals. Mandatum has institutional asset management clients especially in Sweden and in Denmark, where the market is larger than in Finland.

Mandatum’s way of investing stems from how the company manages the Group’s own balance sheet assets. The investment operations have long experience and a strong track record, especially in credit and alternative investments. As one of the Nordic countries’ largest investors, Mandatum has access to the world’s most attractive investment opportunities, which it uses to benefit

its clients both in its own investment products and by supplementing its offering with others’ products. Mandatum has been able to generate attractive risk-adjusted returns for its clients in a variety of asset classes.

In the future, the asset and wealth management total addressable market is expected to continue to grow as the prosperity of the population increases.

PRODUCTS AND SERVICES

Institutions

The offering for institutional asset management clients includes diverse investment solutions in various asset classes. Institutional investors include pension funds, foundations, investment funds and other professional investors. For this client segment,

Mandatum’s core areas of expertise include especially credit and alternative investments.

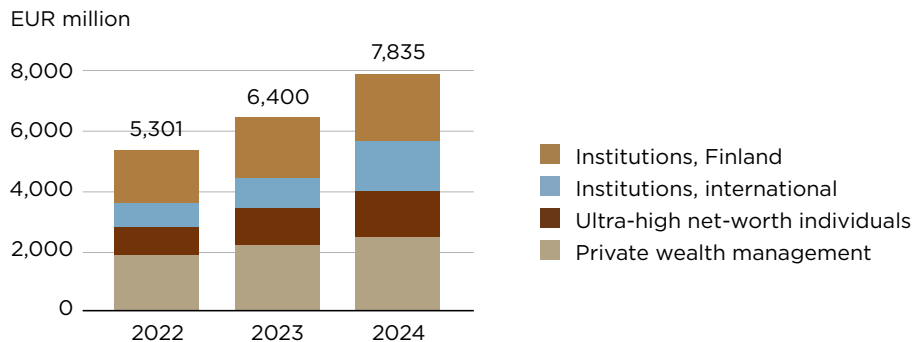
Private wealth management clients

Private wealth management clients include both Finnish companies and high-net-worth individuals. Mandatum offers its clients diverse wealth management services and investment solutions in various asset classes. Professionally managed discretionary wealth management services, among others, are popular among private wealth management clients. In discretionary wealth management, the client’s credit, equity and alternative investments are managed actively based on the client’s goals and risk tolerance. Private wealth management clients have access to extensive additional services, such as legal experts.

YEAR 2024

- In 2024, Mandatum’s Institutional and wealth management client assets under management increased by 22 per cent. Strong net flow, EUR 912 million, supported growth. Assets under management increased in all client segments, i.e. in international and Finnish institutional clients and private wealth management clients. This development was especially positive on the Swedish and Danish markets, where a high-quality offering especially in credit products supported international growth. As such, Mandatum is in a good position to increase its market share on the Nordic asset management market.

Client assets under management



Net flow 1-12/2024
EUR 912 million
 (740)

NPS
76.4
 (73.8)

YEAR 2024 (CONTINUES)

- Mandatum was ranked as the top institutional asset manager in Finland in a survey conducted by Scandinavian Financial Research (SFR). In the survey, around one hundred Finnish institutional investors evaluated 17 institutional asset management service providers.
- Mandatum's assets in client loan investment products (senior loans) increased to EUR 1.6 billion.
- Demand for allocation products increased significantly and interest in credit products continued to be strong.
- Mandatum was highly successful in the UN Principles for Responsible Investment's assessment, and achieved the highest star scores in several sub-categories.
- The special common fund Mandatum AM Finland Properties II, managed by Mandatum, received five stars in the latest Global Real Estate Sustainability Benchmark (GRESB) assessment. The assessment covers themes such as energy and water consumption, carbon footprint, waste volume, greenhouse gas emissions, risk management, social responsibility and stakeholder engagement as well as ESG reporting, principles and management.

CASE
NORDIC HIGH YIELD FUND AWARDED BEST IN EUROPE

Mandatum's Nordic High Yield Total Return Fund is one of the biggest funds on the Nordic high yield bond market. The fund was awarded both 'Best Fund over 3 years' and 'Best Fund over 5 years' in the Bond Europe High Yield category at the Lipper Fund Awards 2024 in London. The fund was established in 2014, and it invests mainly in Nordic corporate bonds, which either have no credit rating or are rated as high yield.

DIVERSE INVESTMENT SOLUTIONS IN VARIOUS ASSET CLASSES
Credit investments

Broad expertise across different credit segments:

- *Investment grade bonds* are direct investments in lower-risk corporate and financial bonds with an investment grade credit rating.
- *High yield bonds* are direct investments in higher-risk bonds with a high yield credit rating.
- *Senior secured loans (leveraged loans)* are direct investments in secured and floating rate debt instruments issued by a company with a high yield credit rating. The debt has typically been arranged by a group of banks and is mainly intended for institutional investors.

Equities

Active stock picking on the European, Nordic and US markets. In equity investments, Mandatum emphasises company analysis based on the target companies' fundamentals, stock picking and active ownership in small and medium-sized companies.

Alternative investments

Long experience in alternative investments:

- private equity investments in unlisted companies
- private debt, i.e. illiquid debt investments, typically in unlisted companies
- systematic investment solutions that strive for a positive return regardless of the market environment, for example, using AI
- real estate investments.

Allocation products

Investment solutions that combine different asset classes at a risk level that suits the client and with an appropriate return target. In allocation products, Mandatum also co-operates with the world-leading fund selection consultant Mercer.

Business areas

CORPORATE CLIENTS

Mandatum serves Finnish corporate clients in two main segments: large and medium-sized corporations and smaller companies and entrepreneurs.

In the Corporate clients business area, Mandatum focuses on maintaining and further strengthening its robust market position. The company's extensive contacts with Finnish business leaders enable extensive corporate client accounts, and cross-selling of wealth management products. This is because the end customers of compensation and reward products consist of the management and employees of Finnish companies.

PRODUCTS AND SERVICES

For large and medium-sized companies, the emphasis is on comprehensive reward solutions with supplementary pensions, risk insurance policies and personnel funds as the

core products. For smaller companies and entrepreneurs, Mandatum offers personal insurance, savings and investment services.

Personal insurance

Mandatum's market position in personal insurance policies taken out by companies is strong. Mandatum provides life insurance and insurance in case of permanent and short-term disability to companies of all sizes and their personnel. In recent years, the popularity of insurance as employee benefits has grown in Finland. Yet, compared to other Western countries, Finns are still underinsured, and as such, the market has potential for growth.

Supplementary pensions

Mandatum is the market leader in voluntary supplementary pensions. In addition to companies' executive management and

specialist groups, voluntary supplementary pensions are sold to entrepreneurs. These days, the supplementary pensions taken by companies have unit-linked savings models, based on an agreed premium. This is unlike the older pension commitments, which were based on an agreed benefit.

Personnel funds and remuneration advisory services

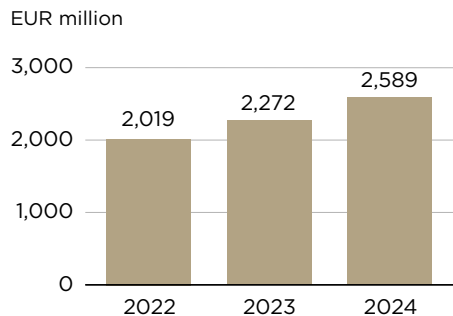
Mandatum is the clear market leader in personnel funds, which are an excellent way of encouraging the entire personnel to save and invest part of their performance-based bonuses. In recent years, the number of new personnel funds opened for companies' personnel has increased and demand is expected to continue strong. Mandatum offers personnel fund clients both a comprehensive management service as well as wealth management. Mandatum also offers com-

prehensive remuneration advisory services to its corporate clients, ranging from share and performance-based bonus schemes to remuneration benchmarking.

YEAR 2024

- Interest in unit-linked supplementary pensions was on the rise and clients' pension assets grew due to increasing investment returns.
- Demand for personal insurance continued to grow.
- The excellent co-operation between the corporate and wealth management businesses continued. In 2024, a significant share of new wealth management clients came through corporate contacts.
- There was interest in remuneration consulting and benchmarking services. The number of personnel funds and the people covered by them continued to grow. In the future, the upcoming Pay Transparency Directive will further increase demand for remuneration benchmarking services.

Client assets under management



Net flow 1-12/2024
EUR 96 million
 (90)

NPS
84.3
 (84.2)

Business areas

RETAIL CLIENTS

To retail clients, Mandatum offers investment solutions and personal insurance. Danske Bank is the main distribution channel for retail clients' solutions. In addition, Mandatum has other selected partnerships.

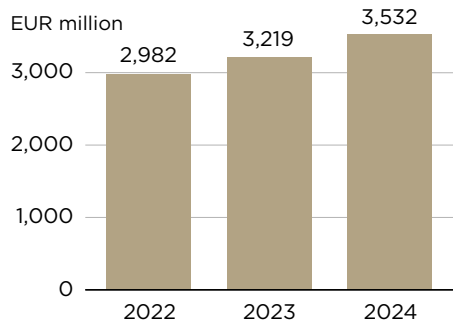
PRODUCTS AND SERVICES

The products and services offered to retail clients through Danske Bank include loan insurance for housing loans, and unit-linked investment insurance policies and capital redemption contracts, which are popular savings and investment solutions. In addition, retail clients can take out individual personal insurance policies from Mandatum covering death, disability and serious illness. Mandatum Trader is an online trading service for independent investors.

YEAR 2024

- Good co-operation with Danske Bank continued and the demand for and sales of products and services offered through Danske Bank increased. The popularity of loan insurance remained strong, with a record number of new policies relative to housing loans taken out.
- The growth trajectory for returns from the Mandatum Trader online trading service accelerated year-on-year, the number of active clients increased and demand for derivatives and credit products expanded.
- Sales of investment insurance and capital redemption contracts strongly.
- Increasing supplementary pension payouts are pressing the annual net flow of the Retail clients business area. Selling new pension insurances was discontinued in 2009.

Client assets under management



Net flow 1-12/2024
EUR -24 million
 (-75)

Investment Insurance

Investment Insurance is well suited to ensuring financial security for oneself and one's family, for long-term investing, and the generational transfer of wealth. Investment Insurance includes life insurance cover, which contains a beneficiary clause that can be used to specify which parties will receive the life insurance benefit.

Capital Redemption Contract

Capital Redemption Contracts are suitable for savers and investors who value ease and wish to have a flexible wealth management agreement. When the contract period expires, the contract's savings amount is paid to the policyholder.

CASE

MANDATUM TRADER

Mandatum Trader is an online securities trading service for the independent investor. The offering is the most extensive in Finland, covering tens of thousands of instruments from stocks, ETFs and bonds to futures, options and other derivatives around the world. Mandatum Trader is particularly suitable for active traders. The latest addition to the service offering is an investment loan for companies. Mandatum offers the Trader service as a tied agent of Saxo Bank A/S.

NPS
71.3
 (67.8)

Business areas

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.

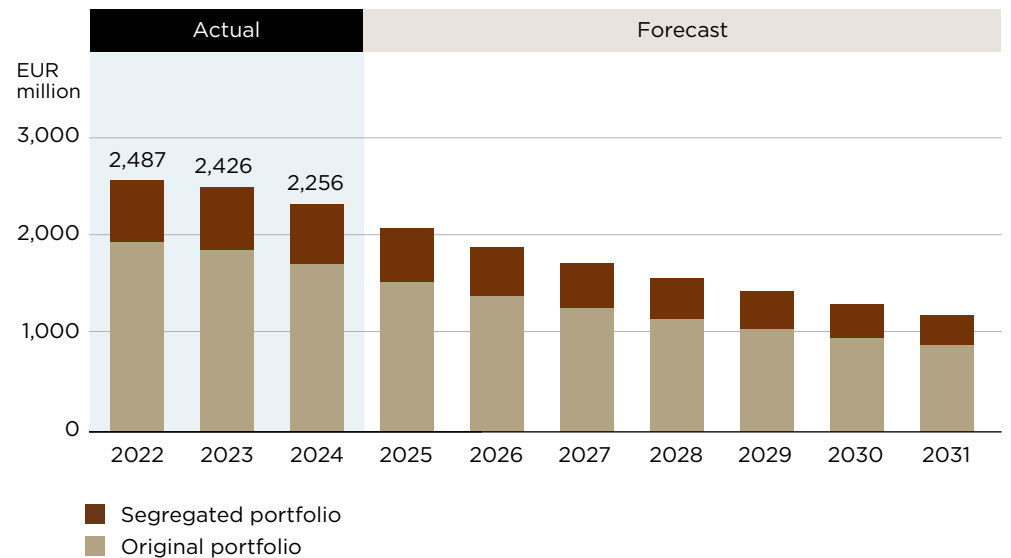
YEAR 2024

- No significant changes in asset allocation. The interest rate risk related to insurance contract liabilities was continued to be managed according to the strategy.
- The net finance result of the with-profit business decreased to EUR 100.4 (137.8) million.
- The with-profit insurance portfolio decreased in line with expectations.

With-profit insurance policies

The majority of current with-profit insurance policies are pension insurance policies sold in the 1980s and 1990s. These policies include a fixed annual guaranteed return of mainly 3.5 or 4.5 per cent. The insurance contract liabilities in the financial statements have been calculated using the up-to-date market-consistent interest rate, which takes into account the guaranteed returns to be paid on the policies in the future. The sale of such policies was discontinued in the early 2000s, and the insurance portfolio is expected to continue decreasing relatively sharply in the coming years.

With-profit liability run-off forecast



Mandatum as an investment

THE GROWTH STORY OF INSTITUTIONAL AND PRIVATE WEALTH MANAGEMENT COMBINED WITH AN ATTRACTIVE DIVIDEND

Mandatum is one of Finland's leading financial service providers. It combines expertise in wealth management and life insurance.

The company's expected growth is enabled by a strong market position, strong investment expertise, top-class products, satisfied clients, a renowned brand and highly competent personnel.

Mandatum aims to be an attractive investment case for its shareholders. The four reasons to invest in Mandatum are:

1. Attractive capital distribution
2. Strong investment expertise and significant international growth potential in wealth management
3. Market leader in supplementary pensions and personnel funds
4. A strong brand and high customer and employee satisfaction.

1) ATTRACTIVE CAPITAL DISTRIBUTION

The Group's strong solvency position, combined with the results generated from capital-light business in line with the strategy and the capital released from the with-profit business, enables attractive dividend distribution. In addition, the opportunities to sell the Group's non-strategic assets offer additional potential for capital distribution.

In 2024, a total of EUR 166 million was paid as dividends, amounting to EUR 0.33 per share. Calculated at the year-end closing price, the dividend yield was 8 per cent. The Mandatum Board of Directors proposes to pay a dividend of EUR 0.66 per share for 2024. This consist of a EUR 0.33 dividend according to the dividend policy, as well as an extra dividend of EUR 0.33. This would provide a dividend yield of 15 per cent, calculated at the year-end closing price.

ORGANIC CAPITAL GENERATION
- WHY IS IT IMPORTANT FOR OUR SHAREHOLDERS?

Organic capital generation (OCG) is an indicator which illustrates the change in own funds resulting from Mandatum's business operations and solvency capital requirement; in practice, this shows how the company's capacity to pay out dividends has changed during the reporting period.

The growth of organic capital generation is driven by

1. own funds, which have increased as a result of good results performance, and
2. a declining solvency capital requirement mainly due to the run-off of the with-profit portfolio.

Organic capital generation per share is thus an important metric for the Board of Directors when assessing Mandatum's dividend payment potential.

Market value
on 31 December 2024

EUR 2.3 billion

(2.0)

Shareholders
on 31 December 2024, over

213,000

Dividend proposal
for 2024

EUR 0.66 /share

Organic capital generation
1-12/2024

EUR 0.44 /share

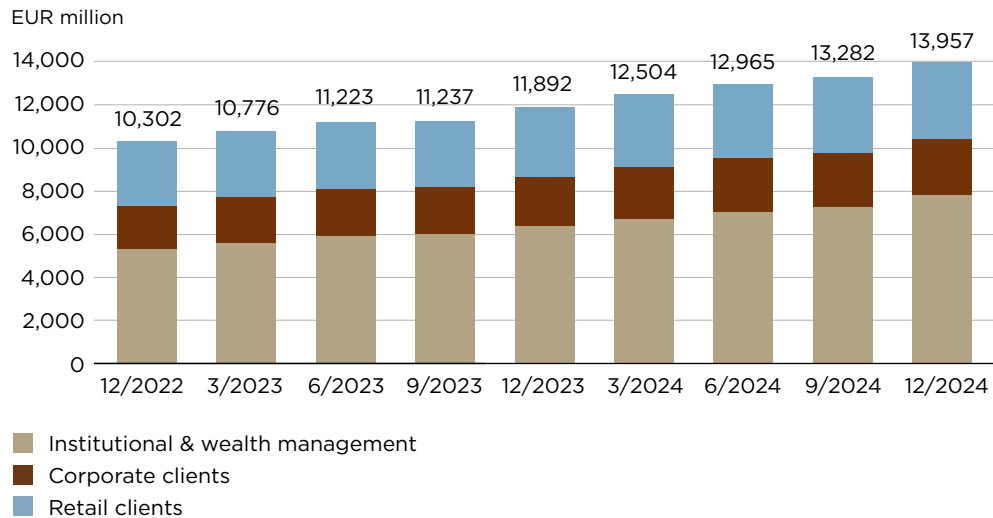
2) STRONG INVESTMENT EXPERTISE AND SIGNIFICANT INTERNATIONAL GROWTH POTENTIAL IN WEALTH MANAGEMENT

Mandatum has strong investment expertise and a proven track record. The growth of the Group's client assets under management, especially in institutional and private wealth management, has progressed successfully. Wealth management continues to offer growth opportunities in both domestic and international markets, particularly in the Nordic countries. New institutional clients have also been acquired from Central Europe. Award-winning investment expertise, especially in credit, fixed income and alternative investment products, is at the core of the growth strategy.

The growth of the business brings economies of scale and enables further strengthening of the cost/income ratio. Additionally, Mandatum's own distribution network ensures a cost-effective and agile business model.

In 2024, client assets under management increased by 17 per cent to EUR 14.0 billion, of which the share of international clients was EUR 1.7 billion. Assets under management grew across all business areas, but the growth was the strongest in Institutional and wealth management. All client segments, the international clients in particular, contributed to the growth in Institutional and wealth management.

Development of client assets under management by business area



Top institutional asset manager in Finland*

#1

*SFR Research 2024

Addressable market of institutional and private wealth management in the Nordics

EUR >1,000 bn



3) MARKET LEADER IN SUPPLEMENTARY PENSIONS AND PERSONNEL FUNDS

Mandatum offers the most extensive remuneration and engagement services on the market for corporate clients. It is a clear market leader in personnel funds and group pensions in Finland and it also has a strong position in risk life insurances. In addition, the insurance wrapper model supports customer retention and benefits the client. Extensive contacts with Finnish business leaders enables the cross-selling of wealth management products and access to significant new customer flows.

In 2024, a significant share of new wealth management clients came through corporate contacts.

4) A STRONG BRAND AND HIGH CUSTOMER AND EMPLOYEE SATISFACTION

Mandatum's renowned brand supports sales, especially in private wealth management, and creates added value compared to competitors. Mandatum has been shown to have high customer and employee satisfaction, as well as a sales-oriented culture, which supports all business operations.

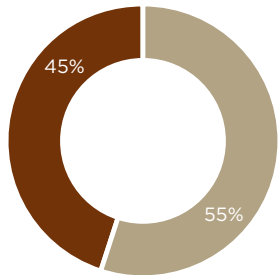
In 2024, Mandatum's customer satisfaction score (Net Promoter Score, NPS) across all client groups was 78.5 - a figure that stands up to the most demanding comparisons.

Mandatum's brand value
EUR 340 million

* Brand Finance estimate

NPS
78.5

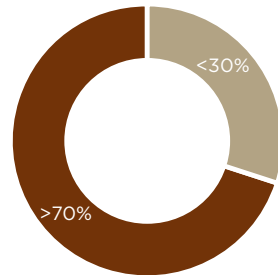
Market shares: Unit-linked group pensions*



Others
 MANDATUM

*Share of premiums written

Market shares: Personnel funds*



*Share of number of funds



CAPITAL MANAGEMENT

CAPITAL MANAGEMENT

1. INTRODUCTION

At Mandatum, group-level capitalisation is managed within Mandatum's risk appetite framework, which sets targets for solvency and informs potential risk management actions. Mandatum's solvency targets are determined by the Group's ambition to provide an attractive risk-return profile for shareholders, and the targets reflect Mandatum's risk appetite. The balance between risks and actual level of capital is analysed and monitored regularly. When a potential imbalance between risks and the actual level of capitalisation is identified, the balance will be secured by adjusting existing risk exposures or capital, or both. In general, Mandatum believes that maintaining the profitability of its businesses and the active adjustment of risks is the first line of defence in risk management and, in the long run, an even more important factor than capitalisation.

Mandatum Group companies must monitor the size of their capital buffers and have practices in place to maintain an amount of capital which is always above the defined capital floor. In addition to solvency, another important factor of capital management is liquidity management. Mandatum considers debt capacity an important source of

liquidity and solvency capital in case of a stress event and therefore aims to ensure reliable access to debt capital markets.

Mandatum plc is responsible for the Group's capital management activities. These actions are guided by targets set for group-level solvency and liquidity and include decisions on group-level investment exposures, business growth and performance targets, capital distributions and capital and other debt instrument issuances.

Mandatum's capital management framework aims to support value creation by enabling Mandatum's strategy. Quantitative targets are set for the Group's solvency, but other metrics are also monitored. At Mandatum, the target amount of capital is determined by defining both the capital floor and the capital buffer. The capital floor is the minimum level of own funds the Group needs to run its business operations normally. However, since risk exposures and profitability of business operations evolve over time and capital can sometimes erode rapidly due to stressed situations, there is a need to have a certain buffer in excess of the capital floor. This buffer together with the capital floor form the target amount of capital. An adequate buffer gives time for

the Group to adjust its risks and capital in a controlled manner in times of stress, i.e., to maintain a balance between risks and capital at all times. An adequate buffer also gives reassurance to supervisors, clients, investors and other stakeholders.

2. TARGETS FOR GROUP-LEVEL SOLVENCY

Mandatum has set the mid-term target for the Group's solvency ratio to be between 170 and 200 per cent. The solvency position is managed towards the target range which is considered optimal in view of Mandatum's current business operations and strategy. Solvency targets have been set to provide a high level of protection against Mandatum falling below regulatory limits. The target levels are intended to encourage active steering of the balance sheet, not automatic actions. For example, falling below a target level would not directly mandate dividend not being paid but the existing financial environment and expected business development would also be considered in the decision-making.

Minimum levels of financial resources are set based on the risk exposures and the regulatory and rating agency requirements for the Group. Buffers on top of the minimum

levels are held to ensure business continuity and dividend security. These buffers ensure that Mandatum Group will remain above regulatory and rating agency requirements also in a severe stress event.

The Group is able to operate below the target levels for some time, but it aims to gradually meet the target levels. The appropriateness and adequacy of the target levels are reassessed regularly in order to adjust to any potential changes in the risk profile and business mix.

The parent company of Mandatum Group, Mandatum plc, must additionally monitor group-level risk concentrations and intra-group transactions which have a direct impact on the desired level of capitalisation. In addition, the liquidity position is monitored regularly as well its expected development.

3. SOLVENCY II GROUP STRUCTURE

As a financial entity, Mandatum needs to monitor various regulations and determine which of those regulations it must comply with. Currently the Solvency II Directive (2009/138/EC) sets out the requirements that Mandatum as a group needs to meet. Under Solvency II, Mandatum is an insurance holding group and Mandatum plc is its ultimate parent. Table 3.1 shows how Mandatum as a Solvency II group is formed based on current regulations.

Within Mandatum Group, Mandatum Asset Management Ltd (MAM) forms an investment firm group as defined in the EU Regulation 2019/2033 on the prudential requirements of investment firms. The MAM investment firm group (“MAM Group”) is formed by MAM as the parent company and its subsidiaries Mandatum AM AIFM Ltd, Mandatum Fund Management S.A. and Mandatum Asset Management Palvelut Oy. MAM also has three smaller subsidiaries which are not part of the investment firm group under the EU Regulation 2019/2033, but which are nevertheless legally MAM’s subsidiaries. All relevant regulations, reporting requirements and capital adequacy requirements are observed and complied with at the sub-group level.

4. SOLVENCY POSITION

The solvency position is monitored by comparing the amount of own funds to the regulatory solvency capital requirement (SCR). The amount of own funds under Solvency II (SII) is based on the market-consistent valuation of the total balance sheet. The valuation of assets under the SII framework is based on the IFRS balance sheet with a few exceptions, the valuation of the intangible assets being the most significant.

The technical provisions under Solvency II are equal to the so-called best estimate of the technical provisions plus the risk margin. The best estimate is based on the realistically expected cash flows of the insurance portfolio, which are discounted using the yield curve applied in Solvency II, derived from the risk-free yield curve. In terms of unit-linked insurance, the best estimate is the insurance savings minus the present value of the risk and expense surplus related to the unit-linked policies. The basis for the risk margin in the Solvency II framework is a six-per cent cost of capital. For life insurance risks and operational risks, the risk margin is the present value of the future cost of capital.

Table 3.1 Mandatum SII Group companies and aggregation method

Company	Aggregation method
Mandatum plc	Full consolidation
Mandatum Life Insurance Company Ltd	Full consolidation
Mandatum Incentives Ltd	Full consolidation
Mandatum Life Services Ltd	Full consolidation
Mandatum Asset Management Ltd	Aggregated based on sectoral rules
Mandatum AM AIFM Ltd	Aggregated based on sectoral rules
Mandatum Fund Management S.A. (Luxemburg)	Aggregated based on sectoral rules
Mandatum Asset Management Palvelut Ltd	Aggregated based on sectoral rules
PreCast Holding Ltd	Related undertaking

Within Mandatum Group, Mandatum Life applies a transitional measure on technical provisions for the original with-profit pension policies with a guaranteed interest rate of 3.5 or 4.5 per cent. The transitional measure for technical provisions continues until 31 December 2031. The transitional measure on technical provisions increases own funds under Solvency II and its effect totalled EUR 167.3 million as at 31 December 2024.

The composition of Solvency II own funds of Mandatum Group as at the end of December 2024 is shown in Figure 4.1.

The item 'IFRS→SII adjustment' refers to differences between the applied valuation methods in the different frameworks, among which the most significant are the valuation of technical provisions in Solvency II vs. insurance and investment contract liabilities and intangible assets.

When calculating solvency requirements under Solvency II, Mandatum applies the 'standard formula' where market and life insurance risk parameters are determined in the regulations. The goal has been to set the solvency capital requirement under Solvency II to a level where the own funds would be sufficient to secure the benefits of the insured with a one-year horizon and a 99.5 per cent confidence interval. Figure 4.2 shows the composition of Mandatum

Group's solvency capital requirement as at 31 December 2024. The item "Other" includes the following items: the loss absorbing capacity of technical provisions and taxes, diversification benefits and capital requirements aggregated on the consolidated balance sheet i.e., mainly the capital requirement of MAM Group.

As can be seen in Figure 4.2, the most significant risk source from a Solvency II

perspective is the market risk. Figure 4.3 shows how the market risk SCR is composed of various market risk sources.

Mandatum Group's solvency ratio as at 31 December 2024 was 210.4 per cent. In solvency calculations the proposed dividend of financial, totalling to EUR 332 million is already deducted from the own funds as shown in Figure 4.1.

Figure 4.1 Composition of own funds of Mandatum Group as at 31 December 2024

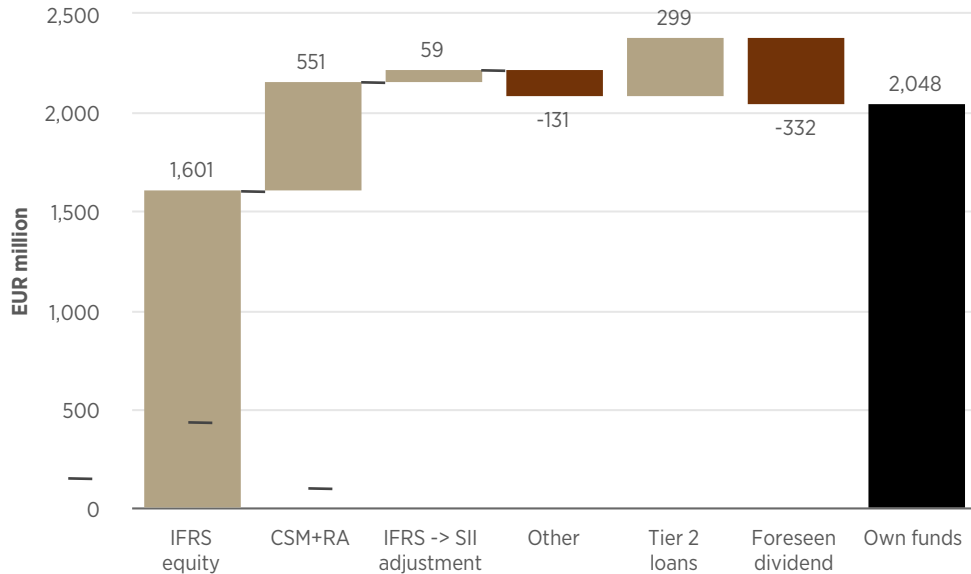


Figure 4.2 Composition of SCR of Mandatum Group as at 31 December 2024

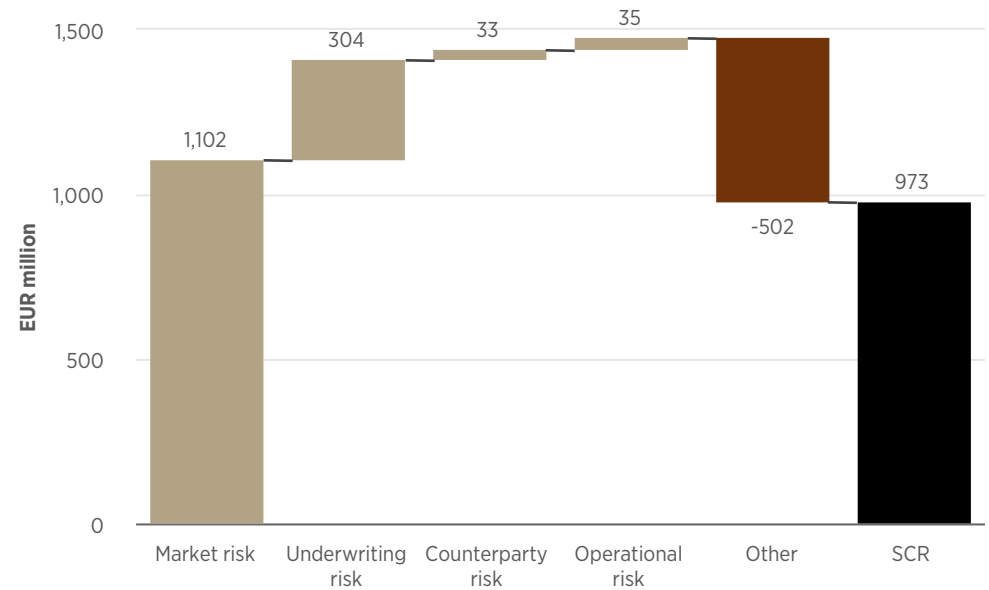


Figure 4.4 shows the development of the solvency position over the calendar year adjusted for dividend accrual. Note that the effect of the dividend is taken into account only in the year-end figures. In year end 2024 figure, the Board of Directors proposal of 0.66€ per share is used.

During the calendar year, the solvency position has been quite stable. Own funds have increased due to the good financial result and the net increase in subordinated loans. On the other hand, the SCR has slightly increased mainly due to the positive development of volumes in the capital light

business. This was partly offset by the expected decrease of the with-profit liabilities as well as the de-risking asset portfolio of the with-profit business.

In addition to group-level solvency monitoring, Mandatum Group includes four independently regulated entities, which all have their own regulatory frameworks including capital adequacy requirements and other corresponding requirements in addition to group-wide requirements. Table 4.1 shows the solvency and capital position of each entity and sub-group.

Table 4.1 Solvency and capital position of regulated entities as at 31 December 2024

EUR million	Own funds	Solvency/capital requirement	Solvency/capital adequacy ratio	Regulatory framework
Mandatum Life	1,844.9	802.4	230%	Solvency II
MAM Group	26.0	9.4	275%	IFR/CRR
- MAM	15.0	7.7	194%	IFR/CRR
- MAM AIFM	1.1	0.4	290%	AIFMD/CRR
- MAM Lux	5.3	0.6	877%	UCI law/CRR

Figure 4.3 Composition of market risk SCR of Mandatum Group as at 31 December 2024

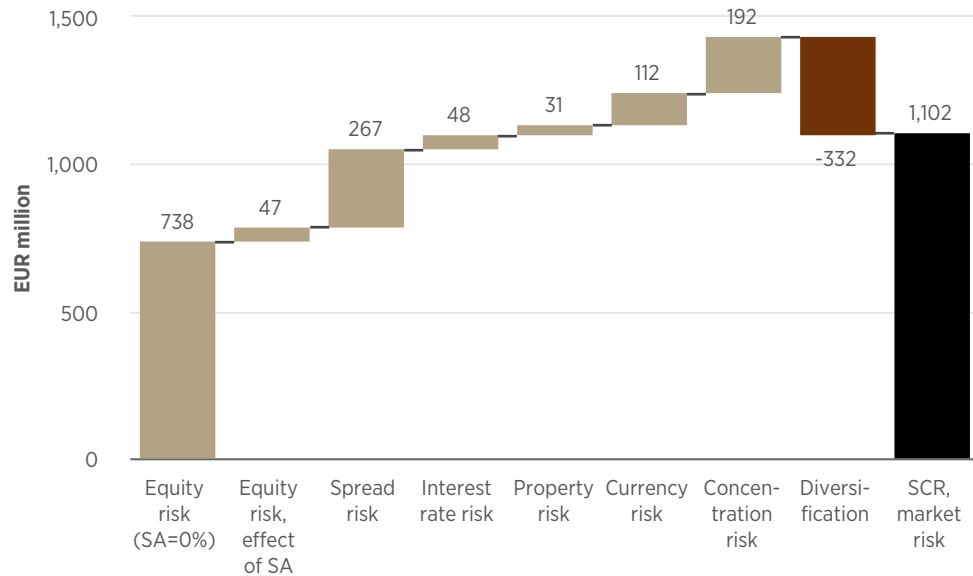
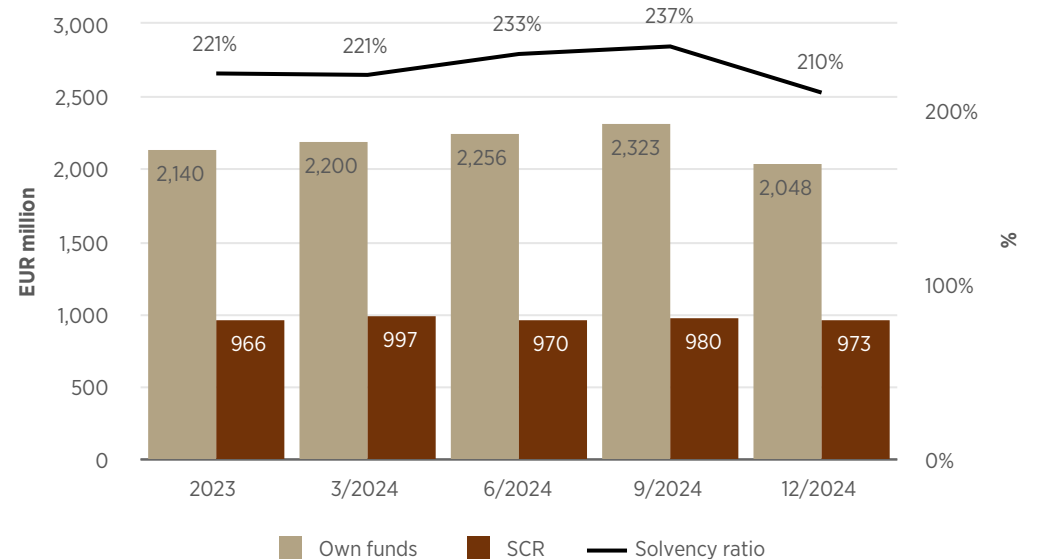


Figure 4.4 Development of Mandatum Group's solvency position during the year 2024

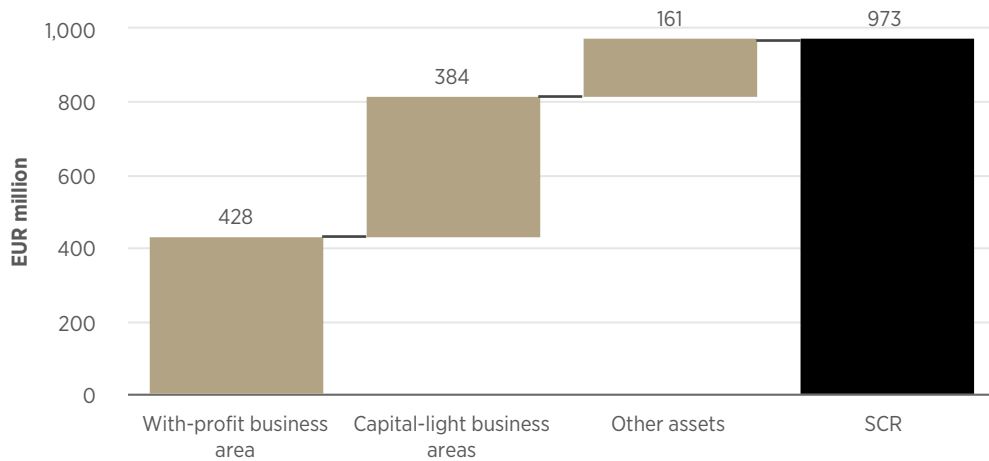


5. SOLVENCY CAPITAL REQUIREMENT BY BUSINESS AREA

Mandatum steers its business through four business areas: (i) Institutional and wealth management, (ii) Corporate clients, (iii) Retail clients and (iv) With-profit business. The first three of these are generally referred to as the Capital-light business areas. Within its capital management, Mandatum assesses the Group’s non-

strategic assets separately from the aforementioned business areas. Figure 5.1 shows how the Group’s solvency capital requirement is composed of business areas. Although the With-profit business is in run-off mode, its SCR is the largest and so are the own funds internally allocated to the business area.

Figure 5.1 Decomposition of SCR by business area as at 31 December 2024



6. CAPITAL GENERATION

6.1. General

Mandatum Group’s financial performance is measured based on IFRS standards and the results are shown in the Group’s financial statements. In addition, Mandatum follows its capital generation based on the Solvency II framework, since the solvency position is one of the three most important measures for analysing dividend capacity. The other two are the liquidity position of the parent company and the parent company’s distributable funds according to the local Generally Accepted Accounting Policies (GAAP).

Another reason why capital generation metrics are important for Mandatum is that capital requirements between the legacy portfolio (With-profit business area) and the new business (Capital-light business areas) are different, and business transformation towards the Capital-light business areas is expected to generate capital reliefs in the coming years (see chapter 7).

6.2. Key elements of capital generation

Mandatum splits its capital generation metrics into three main components:

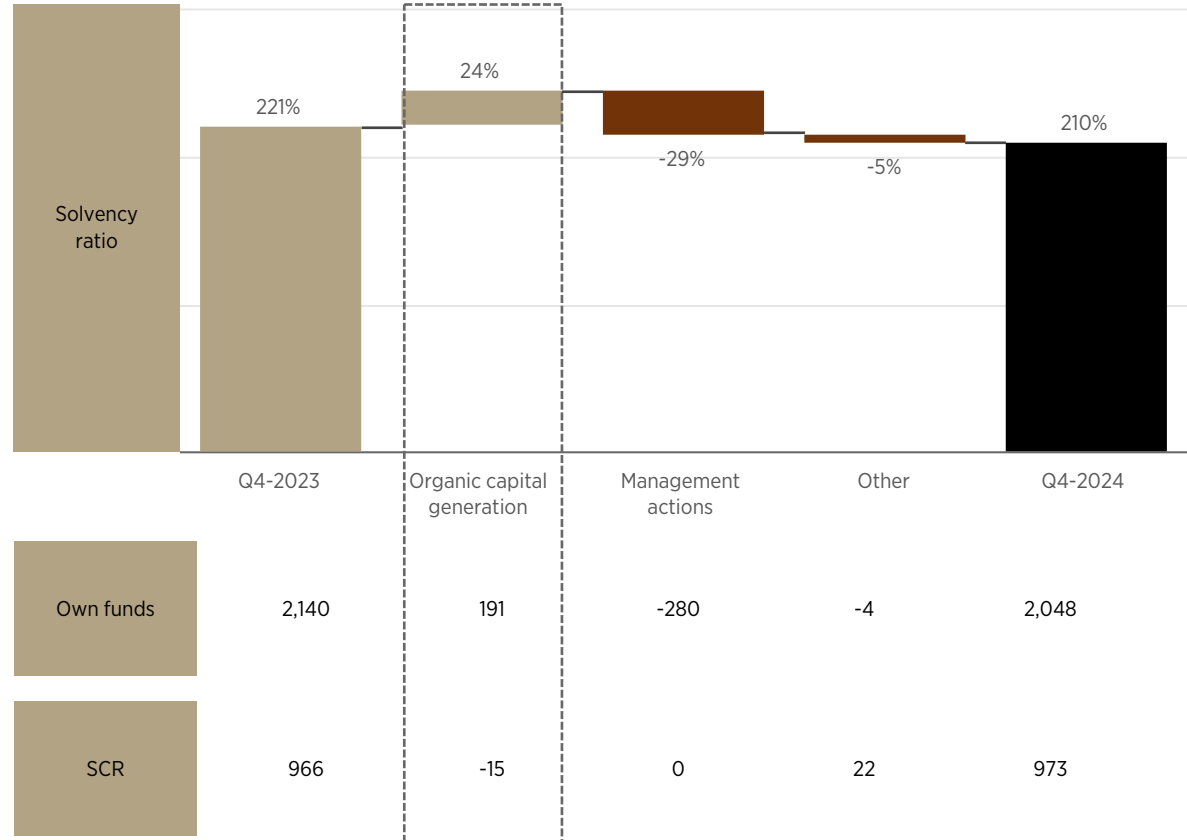
- Organic capital generation,
- Management actions and
- Other.

Organic capital generation aims to measure the performance of the underlying business operations from a solvency position view. Management actions are the effect of separate decisions made by the management, including dividend distributions and emissions and repayments of subordinated loans. The item ‘Other’ includes the effect of regulatory changes and other occurrences not categorised as management actions. For example, the effect of the symmetric adjustment is included in this item.

Figure 6.1 shows the split of capital generation into its components during the year 2024. The most informative component from a business perspective is organic capital generation, which had a EUR 221 million positive effect on the Group's solvency position during the year.

During the year, management actions which had a EUR -280 million effect on the own funds, consisted of a EUR 332 million dividend as proposed by the Board of Directors, a EUR 50 million net increase in subordinated loans and a EUR 3 million increase in shareholder equity due to the personnel offering.

Figure 6.1 Mandatum Group's capital generation in total during the year 2024



The item 'Other' includes regulatory changes, model changes and other related effects which are either one-off items or otherwise not directly related to the performance of the underlying business operations.

6.3. Organic capital generation

The most important capital generation component is organic capital generation, since it gives the best insight into how the underlying business operations have impacted capital generation. For example, it excludes the effect of separate management actions. The effect of financial markets is included in the organic capital generation, although the effect of changes in the symmetric adjustment applied in the calculation of the equity risk SCR is excluded and shown in the item 'Other'.

Figure 6.2 shows the composition of the organic capital generation during the year. During the year, organic capital generation amounted to EUR 221 million, of which EUR 191 million is due to the development of own funds and rest due to the decrease in the SCR. The change in the SCR is taken into account by applying a multiple, since Mandatum Group's target for its solvency ratio is higher than 100 per cent (capital relief). During the year, a factor of 2 has been used as the multiple, i.e., the upper limit of the current solvency target of 170–200 per cent.

Organic capital generation in the With-profit business area amounted to EUR 168 million, of which EUR 86 million is due to the development of own funds (the difference between asset returns and the discount effect of liabilities).

The contribution of the Capital-light business areas to the organic capital generation amounted to EUR 55 million, of which EUR 106 million is explained by own funds generation. Due to the growth of the business the solvency capital requirement has also increased and as the applied solvency target level for this business area was also 200 per cent in 2024, this has reduced organic capital generation.

Figure 6.2 Mandatum Group's organic capital generation during the year 2024

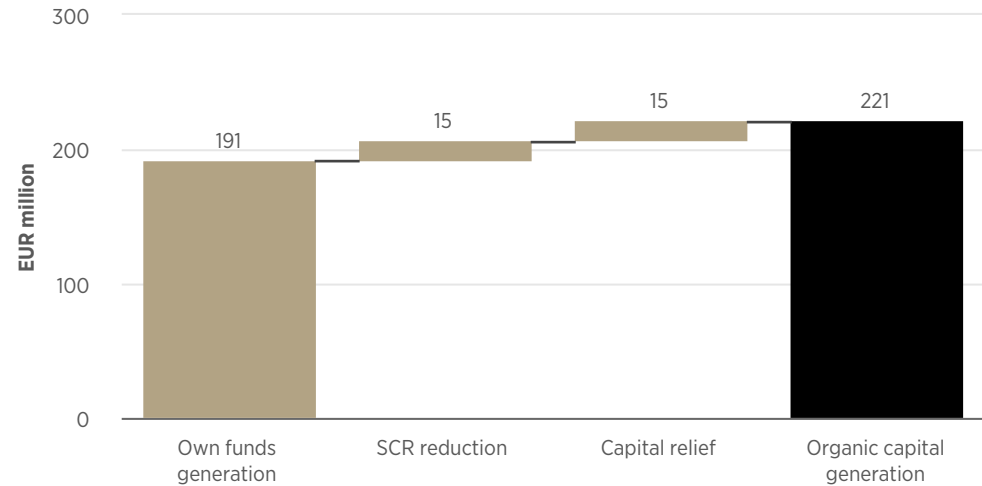
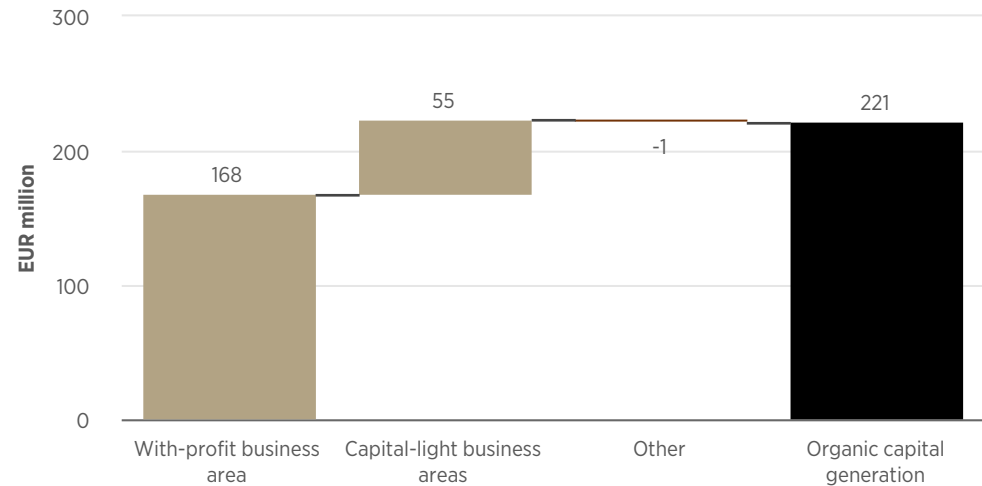


Figure 6.3 Decomposition of Mandatum Group's organic capital generation by business area during the year 2024

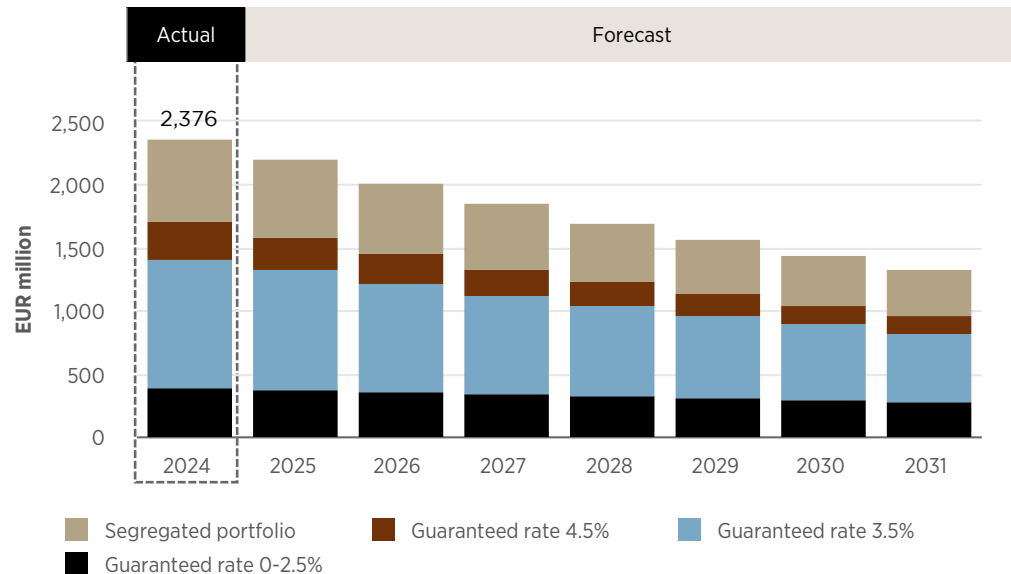


7. BUSINESS OUTLOOK

When looking ahead, it is important to acknowledge that Mandatum’s business strategy and operations are focused on the Capital-light business area, while the With-profit business’ underlying portfolios are in run-off. In practice this means that the solvency capital requirement is expected to trend downwards in the future, even though the Capital-light business is expected to grow. However, its solvency capital requirement is much lower than that of the With-profit business area.

In general, the future development of the solvency capital requirement is difficult to estimate and it depends on the outcomes of various external and internal factors. However, the underlying insurance portfolios of the With-profit business area are mainly composed of individual and group pension policies, and as such the development of policy savings is predictable. Figure 7.1 shows the expected development of with-profit policy savings by guaranteed interest rates. It should be noted that the policy savings differ from IFRS liabilities mainly due to different discount rates.

Figure 7.1 Forecast of with-profit policy savings by guaranteed rate



8. LEVERAGE

Mandatum Group's leverage ratio is calculated by dividing the Group's financial debt by the sum of: IFRS equity; insurance service margin deducted by deferred tax; and financial debts. In this context, financial debt does not include the effect of financial derivatives. Table 8.1 shows Mandatum Group's leverage ratio as at 31 December 2024.

The Group's current subordinated loans are emitted by Mandatum Life and comprise an issuance made in September 2024. Table 8.2 shows the key terms of the issuance.

In the beginning of October 2024, Mandatum Life called back its earlier Tier 2 issuance of EUR 250 million.

In the partial demerger of Sampo plc, part of Sampo plc's general liabilities which were not allocated to any specific business

operations were allocated to Mandatum plc on the basis of the value of the assets transferred to Mandatum plc and the value of the assets remaining with Sampo plc on the effective date of the demerger. Considering that such debt instruments, due to their nature, could not be transferred as such, an equivalent debt relationship on equal terms was formed between Sampo plc and Mandatum plc. This financial debt amounted to EUR 101 million as at 31 December 2024, and Figure 8.1 shows the debt instruments by maturity, including Mandatum Life's subordinated loans. A detailed description can be found on Mandatum's website.

Figure 8.1 does not include the approximately EUR 200 million bridge loan related to the transaction of Saxo Bank A/S shares in the summer of 2024.

Figure 8.1 Debt instruments by maturity as at 31 December 2024

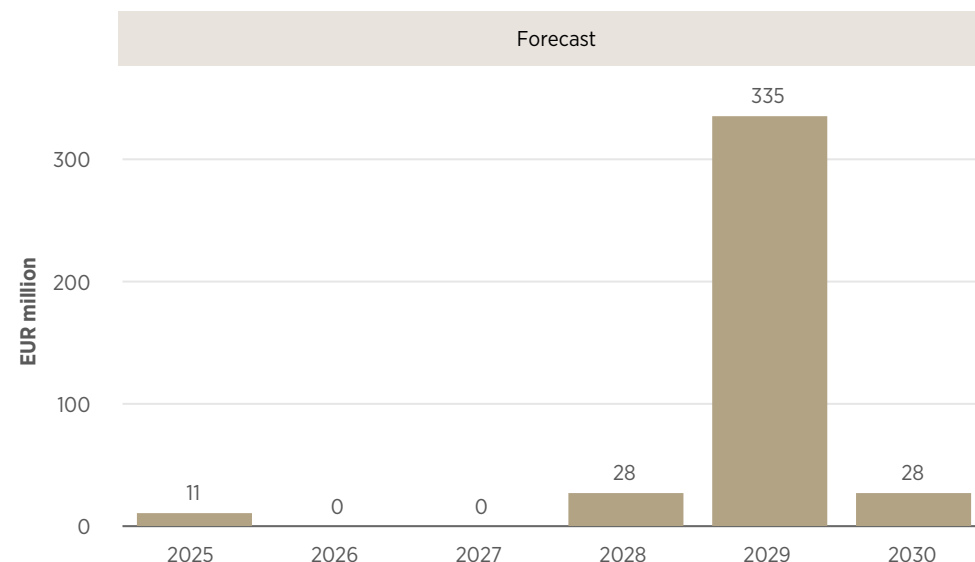


Table 8.1 Financial leverage as at 31 December 2024

	31 Dec 2024
Financial debt valued at amortised cost (EUR million)	599.7
Shareholder equity (EUR million)	1,601.4
Contractual service margin + Risk adjustment, net of tax (EUR million)	441.1
Financial leverage (%)	22.7%

Table 8.2 Key terms of the subordinated loan

Key item	
Issued date	4 September 2024
Nominal	EUR 300 million
Term	15.25NC5.25
First call date	4 September 2029
After first call date	Annually
Tier	Tier 2
Interest	Fixed 4.5% until 4 December 2029
Place of listing	Euronext Dublin (GEM)

REPORT OF THE BOARD OF DIRECTORS

REPORT OF THE BOARD OF DIRECTORS

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MANDATUM GROUP

REPORT OF THE BOARD OF DIRECTORS

FINANCIAL DEVELOPMENT

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 the 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 was 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, including EUR 28 million dividend in total from Saxo Bank.

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.

Key figures

EUR million	1-12/2024	1-12/2023	1-12/2022
Fee result	66.6	52.6	43.3
Net finance result*	135.6	148.6	50.5
Result related to risk policies	25.4	17.9	9.2
Other result	-24.7	-8.7	-27.1
Profit before taxes for the period	202.9	210.4	75.7
Earnings per share, EUR	0.33	0.32	0.12
Equity per share, EUR	3.19	3.19	3.37
Net flow	983.1	753.8	499.0
Organic capital generation per share, EUR	0.44	0.54	-
Return on equity-% ¹	10.3%	9.8%	3.3%
Cost/Income ratio related to client AuM, % ²	58%	66%	67%

EUR million	31 Dec 2024	31 Dec 2023	31 Dec 2022
Client assets under management (AuM)	13,957	11,892	10,302
Solvency ratio, %	210.4%	221.4%	265.5%

1) Annualised

2) Trailing twelve months

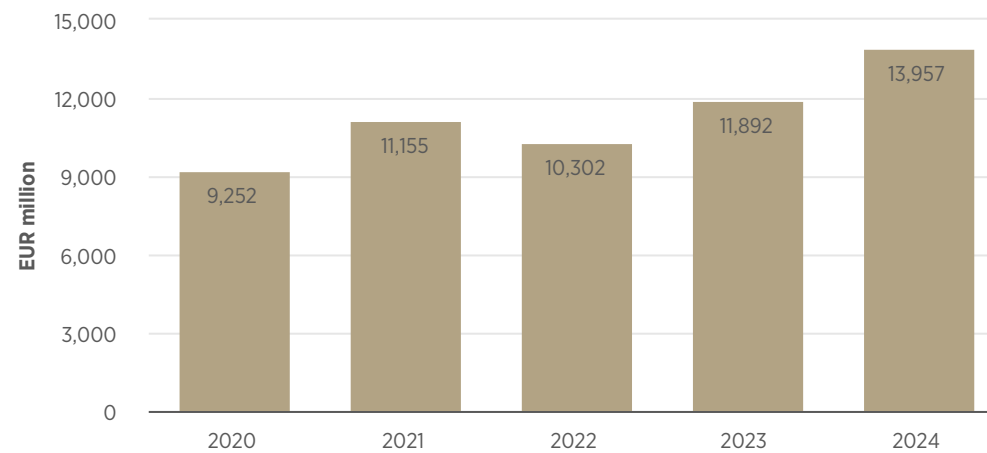
*Finnish terminology has been changed

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 in the comparison period as Mandatum was listed in October 2023, higher financing costs and lower contractual service margin (CSM) release under the with-profit segment compared to the comparison period. This item also includes the result related to other services than insurance and asset management services.

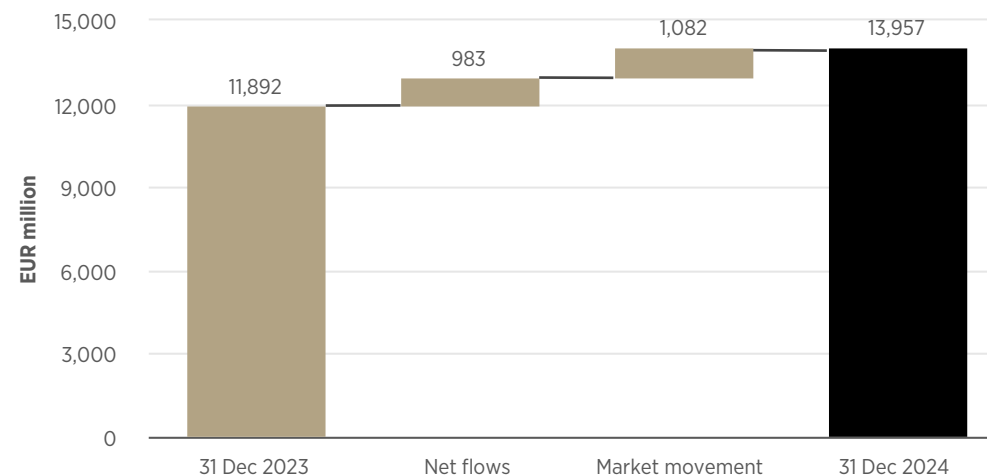
The net profit for the period increased to EUR 164.9 (160.5) million despite a decrease in profit before taxes. The effective tax rate for the year under review decreased to 19 (24) per cent due to tax refunds, among others.

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.

Development of client assets managed by Mandatum



Development of client assets managed by Mandatum in 2024



OTHER KEY EVENTS OF THE REPORTING PERIOD

Mandatum plc and Sampo plc agreed in connection with the partial demerger that Mandatum will purchase Sampo's shares in the Danish investment and trading service provider Saxo Bank A/S. The transaction was completed in May 2024, when Mandatum purchased 19.83 per cent of all Saxo Bank A/S's shares from Sampo. The purchase price of EUR 302 million was determined in advance in the terms of the transaction. The transaction was financed by a bank loan of EUR 200 million and a cash payment. In July 2024, Saxo Bank announced that an external advisor had been engaged to explore strategic options. Mandatum has communicated that Saxo Bank is not a strategic asset for Mandatum and the intention is to sell it at a suitable juncture.

The Board of Directors of Mandatum plc resolved on a personnel offering on 13 August 2024 based on the authorisation granted by the general meeting on 15 May 2024. In the personnel offering, a maximum total of 250,000 new shares in the company were offered for subscription. The subscription period for the shares was from 21 August 2024 to 30 August 2024. Subscription commitments were given for a total of 1,246,240 shares during the subscription period, which meant

that not all subscription commitments could be accepted in full. Subscription commitments were given by a total of 394 members of the personnel. Due to significant excess demand, the Board of Directors approved the subscription of a total of 900,000 new shares at a total subscription price of EUR 3,366,000, meaning EUR 3.74 per share. The shares subscribed in the personnel offering correspond to approximately 0.18 per cent of all the shares and voting rights in the company after the personnel offering.

Mandatum Group started change negotiations in December 2024, the objective of which was to maintain competitiveness and streamline support functions. The change negotiations were concluded on 28 January 2025. 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.

Structural and financial arrangements

Mandatum Life Insurance Company Limited, a subsidiary of Mandatum plc, issued on 30 August 2024 new subordinated Tier 2 notes in an aggregate principal amount of EUR 300 million. The notes have a 15.25-year tenor and mature in December 2039. The coupon to be paid is fixed 4.5 per cent until 4 December 2029 after which the rate of interest will be floating. Subject to certain conditions, the issuer has the right to redeem the notes after five years from the issue. The Tier 2 notes further strengthen the solvency and improve the capital efficiency of the company.

In addition, Mandatum called back the EUR 250 million Tier 2 loan issued by Mandatum Life Insurance Company Limited in 2019 on its first call date 4 October 2024.

Mandatum sold its pension fund services business to Porasto Oy at the end of 2024. The transaction covered pension fund governance services and employer services regarding benefit calculations and reporting in accordance with the IFRS/USGAAP requirements, and the services provided to companies regarding the calculation and payment of retirement promises. The transaction had no material impact on Mandatum's financial result.

Mandatum Life Insurance Company Limited ("Mandatum Life") and If Livförsäkring AB successfully completed a portfolio transfer

in October 2024 wherein Mandatum Life 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 concerns approximately 50,000 contracts. The total purchase price was EUR 17.5 million.

Mandatum Holding Ltd, wholly-owned subsidiary of Mandatum plc, merged into Mandatum plc on 30 April 2024. The merger was carried out as a subsidiary merger, in accordance with the Finnish Companies Act. The background for the merger decision was the simplification of Mandatum's group structure. The merger has no impact on Mandatum Group's business operations.

OUTLOOK

Outlook for 2025

The fee result is expected to increase from the 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 the years 2022, 2023 and 2024, the fee result for the 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.

Financial targets

Target		1-12/2024 (1-12/2023)
GROUP-LEVEL TARGETS		
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.
BUSINESS AREA-SPECIFIC TARGETS		
Business related to the management of client assets:		
Annual net cash flow	In the medium term, Mandatum aims for a net flow of 5% of client AuM. ¹	Mandatum's net flow in 2024 amounted to EUR 983.1 (753.8) million, 8 (7)% of client AuM.
Fee margin ²	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 (%) ²	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)%.
With-profit business:		
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.

DIVIDEND PROPOSAL

The distributable capital of Mandatum plc, the parent company of 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. This consists 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.

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.

OPERATING ENVIRONMENT

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.

BUSINESS AREAS

Mandatum’s business operations are divided into four business areas: Institutional and wealth management, Corporate clients, Retail clients and With-profit business.

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.

Institutional and wealth management had a strong year both in terms of sales activity and product performance, Net flow of the Institutional and wealth management business area amounted to EUR 911.6 (739.7) million for the year. All client segments of Institutional and wealth management (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.

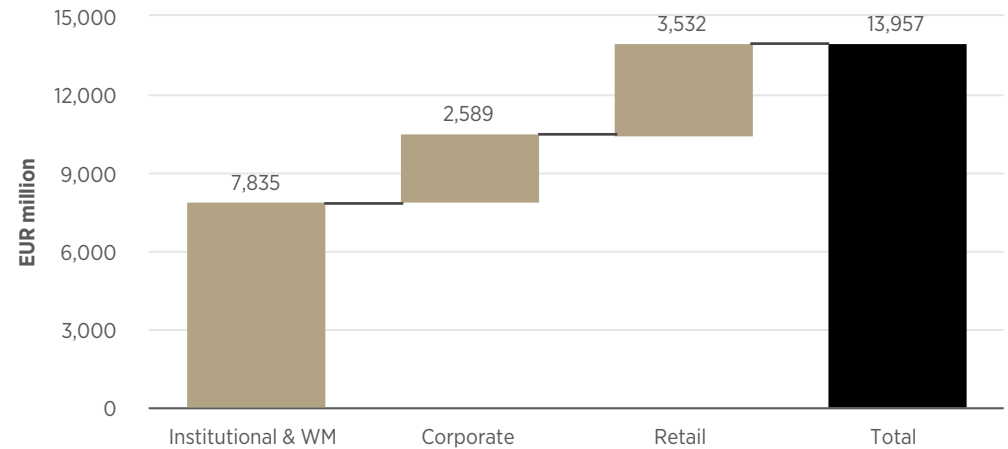
The business area’s assets under management grew by EUR 1.4 billion, 22 per cent, during the year under review and amounted to EUR 7.8 (6.4) billion. The growth in client assets under management was relatively strong in all client segments, most notably among international institutions, 67 per cent, and ultra-high-net-worth clients, 24 per cent. International institutional assets under management

totalled EUR 1.7 (1.0) billion and increased by 67 per cent from the previous year. Growth occurred mainly in Denmark and Sweden, but new customers were also acquired from Central Europe. 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 of the Institutional and wealth management business area 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 cost/income ratio improved as client assets under management increased and the costs remained stable.

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. In addition, Mandatum’s Nordic High Yield fund was recognised by the LSEG Lipper Fund Awards 2024 as the best European high-risk bond investment fund over a three-year and five-year review period.

Mandatum client assets under management on 31 December 2024



Customer satisfaction in Institutional and wealth management continued to improve and was at a record high level, NPS 76.4 (73.8).

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.

The Corporate clients business developed favourably during 2024, and Mandatum maintained its clear market leader position in supplementary pension products and personnel funds, as well as its strong position in risk life insurance.

Net flow of the Corporate clients business area was EUR 95.7 (89.5) million for the year. Especially personnel funds supported the growth in net flow.

The net flow and positive market changes increased client assets under management by EUR 0.3 billion, 14 per cent, during the year to EUR 2.6 (2.3) billion. At the year end, 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.

For the year under review, the profit before taxes of the Corporate clients business area amounted to EUR 31.0 (17.8) million. 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 22.7 (14.7) million for the year. The result related to risk policies for the year increased to EUR 13.2 (8.1) million due to better correlation of realised operating expenses and paid claims compared to expected operating expenses and claims. Premiums written related to risk policies remained relatively stable and amounted to 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).

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.

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.

Net flow of the Retail clients business area improved to EUR -24.2 (-75.4) million for the year, 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.

For the year under review, the profit before taxes of the Retail clients business area 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 fee 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. Income from and the number of users of the Mandatum Trader online trading service continued to grow.

Customer satisfaction in Retail clients continued to improve and was at a high level, NPS 71.3 (67.8).

With-profit business

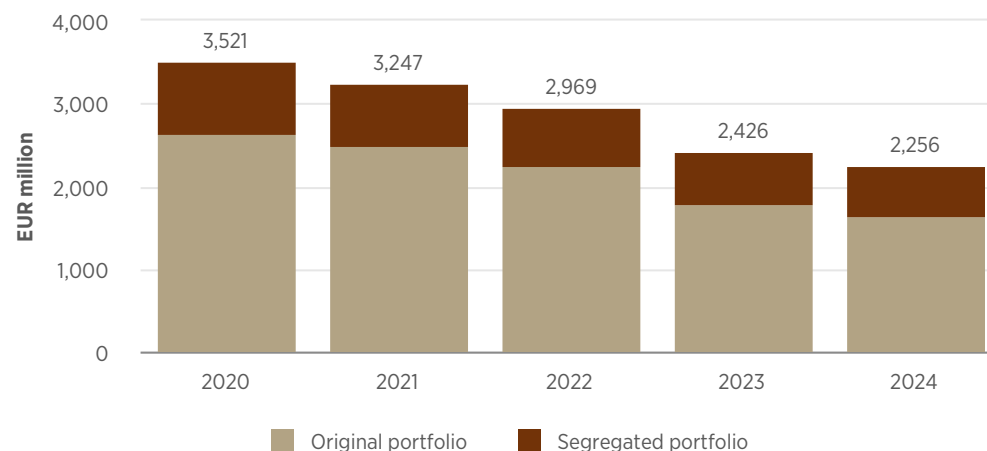
The with-profit business area includes the management of the with-profit insurance portfolio and management of assets covering the with-profit liabilities and assets covering Mandatum Life’s shareholders’ equity. The target for investments is to

generate returns above the insurance contract liabilities requirements at moderate risk, while at the same time a decreasing insurance portfolio releases capital.

Mandatum’s with-profit insurance portfolio has mainly been in run-off status since the early 2000s. The insurance portfolio and its insurance contract liabilities have declined significantly over the past decade, and this is expected to continue in the future as well. Mandatum also aims to take active measures to accelerate the run-off.

As changes in market interest rates cause fluctuations in insurance contract liabilities in IFRS accounting, the actual development

Development of with-profit insurance contract liabilities



of the insurance portfolio is also monitored through the development of insurance savings. In addition to insurance premiums and claims, insurance savings are increased by the guaranteed interest and bonuses paid annually on policies. The average guaranteed interest for the original insurance portfolio is 3.2 per cent. The interest requirement of the segregated insurance portfolio is 0.0 per cent, in addition to which the insurance savings include the insurance portfolio's share of the investment assets covering the portfolio, which bears part of the investment risk if the return on the assets were to remain below zero per cent.

There were no material changes in the asset allocation of the with-profit portfolio during the year. Also, the partial hedging of the interest rate risk of technical provisions was continued in accordance with the strategy using interest rate derivatives. The return on investments of the original portfolio amounted to 4.3 (7.8) per cent, which clearly exceeded the finance expense on insurance contract liabilities, in addition to which the with-profit insurance portfolio decreased in line with expectations. Fixed income investments mark-to-market yield at year end exceeds the year 2025 unwinding rate by 2.3 percentage points.

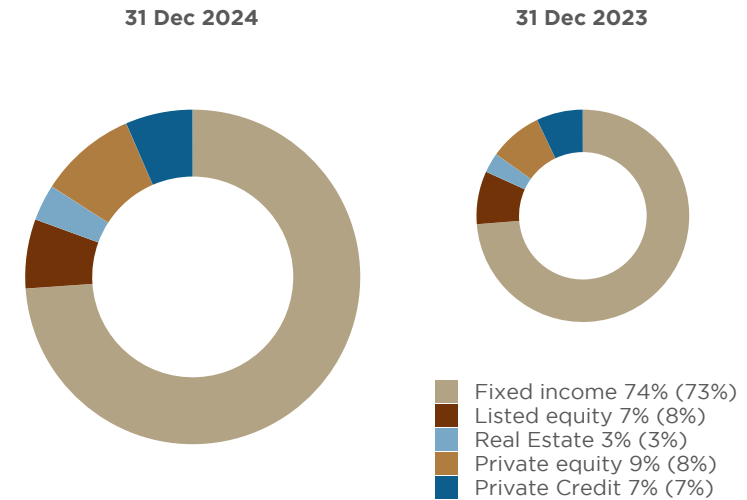
For the year under review, the profit before taxes of the with-profit business area amounted to EUR 116.3 (159.7) million, and

the net finance result totalled EUR 100.4 (137.8) million.

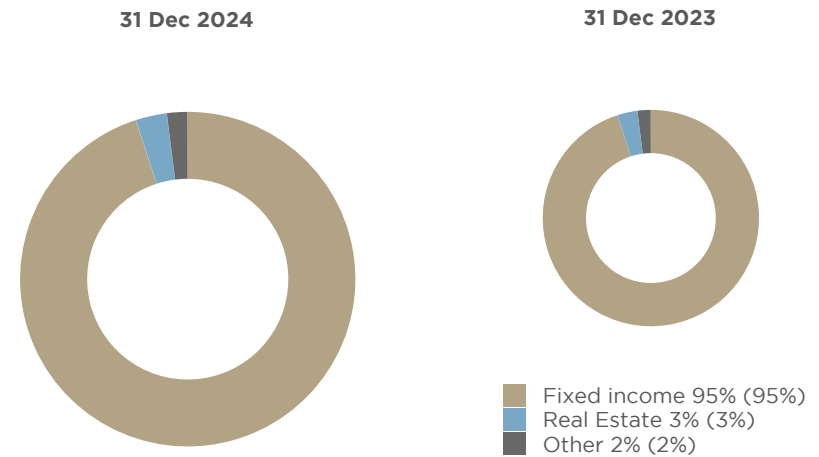
The net finance result of the with-profit balance sheet is a key part of Mandatum's result, and the market risks related to the balance sheet are the most significant factor in the Group's capital requirements. The key objectives of the With-profit business are to cover the requirements set by the insurance contract liabilities, to generate a sufficient return on the capital tied up in the business with an investment risk in line with the company's risk appetite, and to strive to ensure that the company's solvency targets are met.

The investment assets related to the with-profit portfolios are diversified both geographically and between different asset classes in order to increase returns and reduce risks. The asset allocation of with-profit-related investments for the original portfolio, EUR 3,001 (3,340) million, and the segregated portfolio, EUR 674 (701) million, on 31 December 2024 is presented in the following charts.

With-profit investment portfolio by asset class, original portfolio



With-profit investment portfolio by asset class, segregated portfolio



The reconciliation calculation is presented in Note 5.3.

FINANCIAL SITUATION

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, EUR 0.66/share, based on the Board of Directors' proposal for 2024. The solvency ratio before the 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 Mandatum Group's solvency ratio is 170-200 per cent.

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. 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

Mandatum'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%

capital requirement increase was partly offset by reducing the riskiness of the assets of the with-profit business as well as the 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

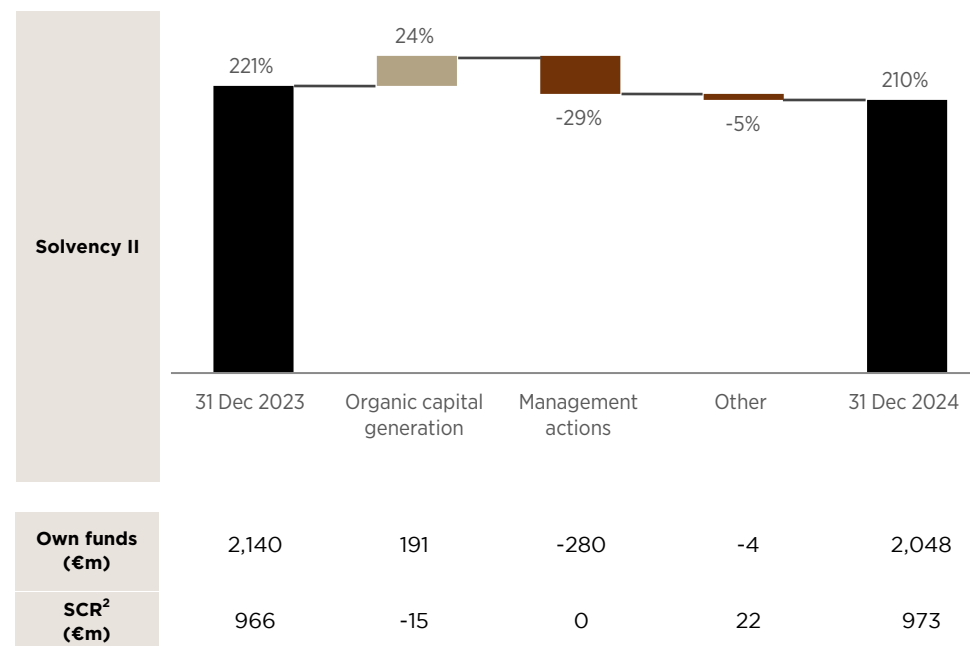
The organic capital generation indicator illustrates the change in own funds resulting from our business operations and solvency capital requirement; in practice, this shows how the company's capacity to pay out dividends has changed during the quarter.

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.

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 the capital release part i.e. the target solvency ratio release in excess of the 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 the Saxo Bank A/S transaction and the Tier 2 loan emitted by Mandatum Life.

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

Subordinated loan

Mandatum Group's financial debt includes a subordinated loan with a nominal value of EUR 300 million issued by its subsidiary Mandatum Life. The subordinated loan was issued in September 2024 and has a 15.25-year maturity, and the first call date is in September 2029. The interest on the loan is fixed at 4.5 per cent until December 2029 after which the interest is the 3-month Euribor rate plus a 2.05 per cent margin, and after December 2034, the 3-month Euribor rate plus a 3.05 per cent margin. The loan matures in December 2039.

During the year under review, Mandatum repaid the nominal value of the EUR 250 million subordinated loan issued in 2019.

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.

Mandatum'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 %

SHARES, SHARE CAPITAL AND SHAREHOLDERS

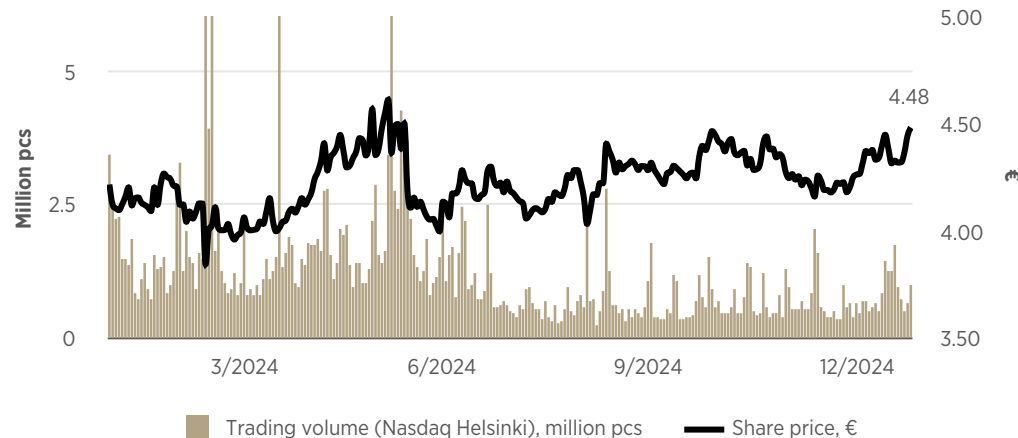
Shares and share capital

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 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.

Share price performance and trading volume in 2024



Authorisations granted to the Board

The Annual General Meeting of Mandatum plc held on 15 May 2024 authorised the Board of Directors to resolve on the repurchase and/or on the acceptance as pledge of the Company's own shares as well as on the issuance of shares and special rights entitling to shares.

Authorising the Board of Directors to resolve on the repurchase and/or on the acceptance as pledge of the Company's own shares

The AGM authorised the Board of Directors to resolve to repurchase and/or to accept as pledge, on one or several occasions, a maximum of 50,000,000 Mandatum plc shares on the condition that the number of own shares in the possession of, or held as pledge by, the Company and its subsidiaries at any given time may not exceed 10 per cent of all the shares in the Company.

The shares may be repurchased either through an offer to all shareholders on the same terms or through other means and otherwise than in proportion to the existing shareholdings of the Company's shareholders (directed repurchase) if the Board of Directors deems that there are weighty financial reasons from the perspective of the Company for such directed repurchase. The authorisation is valid for a period of 18 months from the AGM's resolution.

Authorising the Board of Directors to resolve on the issuance of shares and special rights entitling to shares

The AGM authorised the Board of Directors to resolve on the issuance of, in total, a maximum of 50,000,000 Mandatum plc shares through issuance of shares or by issuing special rights entitling to shares under Chapter 10, Section 1 of the Finnish Limited Liability Companies Act, such as option rights, in one or more issues.

Under the authorisation, the Board of Directors may resolve to issue either new shares or treasury shares held by the Company. The new shares may be issued and treasury shares held by the Company may be transferred to the Company's shareholders in proportion to their existing shareholdings in the Company or, in deviation from the shareholders' pre-emptive subscription right in a directed manner, if there is a weighty financial reason for the Company. The maximum number of shares to be issued for the implementation of the Group's commitment, incentive or remuneration schemes shall not, in total, exceed 5,000,000 shares, which corresponds to approximately 1.0 per cent of all the shares in the Company. The authorisation is valid for a period of 18 months from the AGM's resolution.

Shareholders

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 2024 there were no unregistered shares.

Largest shareholders, 31 December 2024

	Shareholders	Shares	% of shares
1	Varma Mutual Pension Insurance Company	22,248,420	4.43
2	Ilmarinen Mutual Pension Insurance Company	15,228,514	3.03
3	Elo Mutual Pension Insurance Company	7,516,000	1.50
4	Oy Lival Ab	4,001,000	0.80
5	Finnish State Pension Fund	4,000,000	0.80
6	OP-Henkivakuutus Ltd.	3,923,293	0.78
7	Society of Swedish Literature in Finland	3,619,150	0.72
8	Aktia Capital Mutual Fund	2,022,000	0.40
9	Nordea Pro Finland Fund	1,608,149	0.32
10	Nordea Life Assurance Finland Ltd.	1,507,512	0.30
11	Sigrid Jusélius Foundation	1,311,150	0.26
12	Seligson & Co OMX Helsinki 25 Exchange Traded Fund (ETF)	1,299,130	0.26
13	Suka Oy	1,252,107	0.25
14	S-Bank Fenno Equity Fund	1,174,150	0.23
15	OP-Finland Index Fund	1,075,944	0.21
16	Evli Finland Select Fund	1,000,000	0.20
17	Danske Invest Finnish Equity Fund	983,047	0.20
18	Rettig Group Oy Ab	971,100	0.19
19	Samfundet Folkhälsan i Svenska Finland	864,065	0.17
20	Kyöstillä Karl Heikki	788,700	0.16
	20 largest shareholders total	76,393,431	15.20
	Nominee registered	228,158,214	45.39
	Others	198,145,107	39.42
	Total	502,696,752	100.00

Shareholders by the number of shares held, 31 December 2024

Number of shares	Shareholders	%	Shares	%
1-100	90,728	42.57	3,864,409	0.77
101-1,000	91,611	42.99	34,388,284	6.84
1,001-10,000	28,320	13.29	79,536,306	15.82
10,001-100,000	2,313	1.09	53,660,755	10.68
100,001-1,000,000	127	0.06	32,710,317	6.51
>1,000,000	20	0.01	298,536,518	59.39
Total	213,119	100.00	502,696,589	100.00
Nominee registered	11	0.01	228,158,124	45.39
Number of shares issued			502,696,752	100.00

Shareholders by sector, 31 December 2024

	Shareholders		Shares	
	Number	%	Number	%
Corporations	7,369	3.46	33,458,907	6.66
Financial institutions and insurance corporations	143	0.07	20,697,710	4.12
Public institutions	91	0.04	50,092,385	9.96
Households	203,373	95.43	150,740,920	29.99
Foreign ownership	791	0.37	1,388,630	0.28
Non-profit institutions	1,352	0.63	18,159,823	3.61
Nominee registered	11	0.01	228,158,214	45.39
Total	213,119	100.00	502,696,752	100.00

Source: Euroland

Flagging notifications

On 16 August 2024, Mandatum announced it had received a notification, pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act, that the breakdown of Société Générale SA's (France) and its funds' direct or indirect holding of the shares and votes in Mandatum plc has increased above the threshold of 5 per cent on 14 August 2024.

On 10 May 2024, Mandatum announced it had received a notification, pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act, that the breakdown of Altor Fund Manager AB's (registration number 556962-9149, Sweden) and its funds' direct or indirect holding of the shares and votes in Mandatum plc has changed. Subject to the notification of Altor Fund Manager AB, the total positions of its shares and voting rights (hereinafter A) together with shares and voting rights through financial instruments (hereinafter B) was 16.62 per cent. Total of A mentioned in the notification was 10.00 per cent (9.98 per cent in the previous flagging notification) and total of B was 6.61 per cent (6.63 per cent in the previous flagging notification). According to the notification, Altor Invest 8 AS does not have voting rights in relation to the shares underlying the financial instruments until physical settlement.

On 16 February 2024, Mandatum announced it had received a notification, pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act, that the Skandinaviska Enskilda Banken AB's and its funds' direct or indirect holding of the shares and votes in Mandatum plc directly or through financial instruments has exceeded the threshold of 5 per cent on 15 February 2024.

On 15 February 2024, 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 (organization number 556962-9149, Sweden) and its funds' direct or indirect holding of the shares and votes in Mandatum plc directly or through financial instruments has exceeded the threshold of 15 per cent on 15 February 2024.

On 15 February 2024, Mandatum announced it had received a notification, pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act, that Solidium Oy's (business ID 2245475-9) and its funds' direct or indirect holding of the shares and votes in Mandatum plc has decreased below the threshold of 5 per cent on 15 February 2024.

Holdings of the Board and executive management

The members of Mandatum plc's Board of Directors and entities controlled by them owned a total of 672,899 Mandatum shares at the end of 2024. These holdings together accounted for 0.13 per cent of all issued shares and votes.

On 31 December 2024, the members of Mandatum plc's Board of Directors held shares in Mandatum plc directly or through entities under their control as follows:

Member of the Board of Directors	pcs
Patrick Lapveteläinen	586,369
Jannica Fagerholm	35,688
Johanna Lamminen	10,831
Kimmo Laaksonen	6,655
Markus Aho	21,253
Jukka Ruuska	7,753
Herman Korsgaard	4,350
Total	672,899
Board of Directors' ownership of shares, %	0.13
Board of Directors' share of votes, %	0.13

The members of the Board of Directors did not have holdings in any share-based rights of Mandatum plc.

Mandatum's Management Team and entities controlled by them owned 408,663 shares, which represented 0.08 per cent of the shares and votes.

On 31 December 2024, the Group CEO and the members of the Management Team held shares in Mandatum plc directly or through entities under their control as follows:

Member of the Management Team	pcs
Petri Niemisvirta	189,600
Matti Ahokas	19,213
Juhani Lehtonen	18,414
Sanna Rajaniemi	31,510
Petri Vieraankivi	23,639
Tarja Tyni	85,482
Jukka Kurki	40,805
Total	408,663
Management Team's ownership of shares, %	0.08
Management Team's share of votes, %	0.08

The Group CEO and other members of the Management Team did not have holdings in any Mandatum plc share-based rights.

GOVERNANCE AND RELATED ISSUES

Governance

Mandatum Group's governance is primarily organised on the basis of the Finnish Limited Liability Companies Act. More detailed provisions on the company's governance can be found in the Articles of Association and in the internal operating principles and policies confirmed by the company's Board of Directors. The supreme authority over Mandatum's business is exercised by the Annual General Meeting.

In 2024, Mandatum plc complied in full with the Finnish Corporate Governance Code 2020 approved by the Securities Market Association on 19 September 2019, which entered into force on 1 January 2020.

In compliance with the Corporate Governance Code 2025, which entered into force on 1 January 2025, Mandatum publishes a separate Corporate Governance Statement on its website in fulfilment of the requirement referred to in the Finnish Securities Markets Act (746/2012), chapter 7, section 7.

The statement is available at: mandatum.fi/en/year2024.

Annual General Meeting 2024

The Annual General Meeting of Mandatum plc held on 15 May 2024 (hereinafter, the "AGM") approved all proposals made to the AGM by the Shareholders' Nomination Board and the Board of Directors, including distribution of a dividend of EUR 0.33 per share.

The AGM adopted the financial statements for the financial year 2023 and discharged the members of the Board of Directors and the CEO from liability for the financial period ending 31 December 2023. The AGM authorised the Board of Directors to resolve on the repurchase and/or on the acceptance as pledge of the Company's own shares as well as on the issuance of shares and special rights entitling to shares.

Financial statements, distribution of profit and discharge from liability

The AGM adopted the financial statements for the financial year 2023 and resolved to distribute a dividend of EUR 0.33 per share, totalling EUR 165,592,928.16. The dividend will be paid to shareholders who are registered in the shareholder register of Mandatum plc maintained by Euroclear Finland Oy as at 17 May 2024, the record date for the payment of the dividend. The AGM confirmed the dividend payment date as 24 May 2024.

The AGM resolved to discharge the members of the Board of Directors and the CEO from liability for the financial year 2023.

Remuneration Report and Remuneration Policy for Governing Bodies

The AGM resolved to approve Mandatum plc's Remuneration Report for Governing Bodies for the financial year 2023 and to support the Company's first Remuneration Policy for Governing Bodies. The resolutions were advisory.

Remuneration of the members of the Board of Directors

The AGM resolved that during the forthcoming term of office, the following remuneration shall be paid to the members of the Board of Directors:

The Chair be paid annual remuneration of EUR 70,000, the Vice Chair and the Chairs of the Committees EUR 60,000, and other Board members EUR 47,000. Potential chairing of a Committee does not affect the amount of annual remuneration paid to the Chair or Vice Chair of the Board of Directors. In addition, a meeting fee of EUR 800 per meeting of the Board and of a Committee is paid. However, if a Board member is physically present at a Board or Committee meeting that is held in a country other than his/her permanent home country, then the meeting fee is EUR 1,600.

Travel expenses shall be reimbursed in accordance with Mandatum's travel policy.

The annual remuneration shall be paid as a combination of Mandatum plc shares and cash in such a way that approximately 40 per cent of the amount of the remuneration is payable in Company shares and the remainder in cash. The shares will be acquired in public trading, or the Company may transfer treasury shares held by it, on behalf of and in the name of the Board members. The Company is responsible for the costs and transfer tax related to the acquisition of shares. A Board member may not dispose of the shares received in this way until two years have passed from the date of receipt or until the member's tenure with the Board has ended, whichever is earlier.

The independent members of the Company's Board of Directors decide on the employment relationship-related remuneration of the full-time Chair of the Board. The employment-based remuneration of the full-time Chair of the Board is evaluated annually and is based on the remuneration principles and policies applied by the Company.

Members of the Board of Directors

The AGM resolved that the number of members of the Board of Directors is seven (previously six).

Further, the AGM resolved to re-elect Patrick Lapveteläinen, Jannica Fagerholm, Johanna Lamminen, Jukka Ruuska, Kimmo Laaksonen and Markus Aho as members of the Board of Directors and elect Herman Korsgaard as a new member of the Board of Directors.

Auditor

The AGM resolved to re-elect Authorised Public Accountant Firm Deloitte Ltd as the Company's auditor for a term ending at the end of the Annual General Meeting 2025. Reeta Virolainen, APA, will continue as the auditor with principal responsibility. The AGM resolved that the fee of the auditor shall be paid against an invoice approved by the Company.

Sustainability reporting assurer

The AGM resolved to elect Authorised Sustainability Audit Firm Deloitte Ltd as the Company's sustainability reporting assurer for a term ending at the end of the Annual General Meeting 2025. Reeta Virolainen, APA, Authorised Sustainability Auditor (ASA), will act as the principal authorised sustainability auditor. The AGM resolved that the fee of the sustainability reporting assurer shall be paid against an invoice approved by the Company.

Authorising the Board of Directors to resolve on the repurchase and/or on the acceptance as pledge of the Company's own shares

The AGM authorised the Board of Directors to resolve to repurchase and/or to accept as pledge, on one or several occasions, a maximum of 50,000,000 Mandatum plc shares on the condition that the number of own shares in the possession of, or held as pledge by, the Company and its subsidiaries at any given time may not exceed 10 per cent of all the shares in the Company.

The shares may be repurchased either through an offer to all shareholders on the same terms or through other means and otherwise than in proportion to the existing shareholdings of the Company's shareholders (directed repurchase) if the Board of Directors deems that there are weighty financial reasons from the perspective of the Company for such directed repurchase. The authorisation is valid for a period of 18 months from the AGM's resolution.

Authorising the Board of Directors to resolve on the issuance of shares and special rights entitling to shares

The AGM authorised the Board of Directors to resolve on the issuance of, in total, a maximum of 50,000,000 Mandatum plc shares through issuance of shares or by issuing special rights entitling to shares under Chapter 10, Section 1 of the Finnish Limited Liability Companies Act, such as option rights, in one or more issues.

Under the authorisation, the Board of Directors may resolve to issue either new shares or treasury shares held by the Company. The new shares may be issued and treasury shares held by the Company may be transferred to the Company's shareholders in proportion to their existing shareholdings in the Company or, in deviation from the shareholders' pre-emptive subscription right in a directed manner, if there is a weighty financial reason for the Company. The maximum number of shares to be issued for the implementation of the Group's commitment, incentive or remuneration schemes shall not, in total, exceed 5,000,000 shares, which corresponds to approximately 1.0 per cent of all the shares in the Company. The authorisation is valid for a period of 18 months from the AGM's resolution.

AGM documentation

The proposals approved by the AGM as well as the Remuneration Report for Governing Bodies and Remuneration Policy for Governing Bodies are available in their entirety at Mandatum's website at mandatum.fi/en/AGM2024.

The minutes of the AGM are available for viewing at the Company's website at mandatum.fi/en/AGM2024.

Risk management

Approach

The goal of risk management in all Mandatum Group companies is to ensure a stable and well-understood risk management culture. In addition, the goal is to ensure that risks are identified, assessed, managed, monitored and reported, and that the company's actions are appropriate in relation to the risks' potential short- and long-term financial impacts. Furthermore, efforts are made to ensure that the companies have adequate buffers for the capital requirements set by the authorities and that they also maintain operational readiness for the eventuality of economic turmoil. Successful risk management ensures the general efficiency, security and continuity of operations and safeguards Mandatum Group's reputation, ensuring that clients and other stakeholders maintain confidence in Mandatum Group. In summary, it can be stated that the key objective of risk management in Mandatum Group is to create value and preserve the value already created.

Mandatum Group companies follow the risk management principles defined by the parent company's Board of Directors. In Mandatum Group, each authorised company has its own risk management policy, but Mandatum Group has a common overall risk management system. Mandatum nevertheless supervises the appropriateness of its subsidiaries' risk management systems

and risk monitoring and reporting principles. Mandatum Group's risk management function works in close cooperation with its subsidiaries' risk management functions to ensure that information is exchanged appropriately and that the arrangements, processes and mechanisms are sufficient.

The Boards of Directors of the companies are responsible for the adequacy of risk management and internal control. The Boards annually approve the risk management principles, which form the basis for risk management across Mandatum Group companies. The CEO has overall responsibility for the implementation of risk management in accordance with the Boards' guidance.

The Group's Chief Risk Officer is responsible for ensuring that risk management and its monitoring have been arranged appropriately and that the scope is adequate with respect to the Group's operations. Every authorised Mandatum Group company has its own risk management function. The task of the risk management functions is to ensure that risk management is arranged appropriately, and that it is sufficient with respect to the company's operations. Business areas are responsible for the identification, assessment, monitoring and management of their own operational risks.

Business risks

Mandatum Group companies operate in business areas in which the characteristics of value creation are risk pricing and active management of risk portfolios, in addition to good customer service. For this reason, common risk definitions are needed as a basis for business operations, and risks are divided into main categories: strategic risks, earnings risks (including underwriting and market risks) and consequential risks (including operational risks).

Strategic risks arise from changes in the business environment and are long-term in nature. Strategic risks are managed by adapting the company's operations rather than eliminating the risks. Mandatum takes calculated strategic risks in its business, which include earning potential.

Mandatum Group's main risks from the perspective of solvency capital requirements are market risks in the balance sheet and longevity risk and surrender risk, which are part of underwriting risks. In addition to the aforementioned risks, operational and business risks are key risks in terms of business operations and continuity.

Market risks refer to impacts caused by changes in the market values of financial assets, financial liabilities and technical provisions. Market risks are examined from both an Asset Liability Management (ALM)

as well as an investment portfolio risk perspective. In the With-profit business area, market risks mainly arise from equity investments and the total interest rate risk between fixed income investments and with-profit liabilities. The approach to market risk management is based on the technical provisions' expected cash flows, the interest level and the valid solvency position. The guaranteed rate and bonuses are a common feature for all with-profit liabilities. The cash flows of technical provisions are relatively predictable because most with-profit policies do not permit surrenders and extra investments. Mandatum plc's non-strategic investments (Saxo Bank A/S, Enento plc and Terrafame Ltd) also have a significant impact on market risks. Market risks have an indirect impact in other business areas, as the realisation of market risks affects client assets under management and thus future fee income.

Underwriting risks include biometric risks, as well as surrender risk and expense risk. Of these, surrender risk and expense risk concern all the Group's business areas, while biometric risks apply to the Corporate, Retail and With-profit business areas.

Biometric risks in life insurance refer mainly to the risk that the company would have to pay more mortality, disability or morbidity benefits than expected or would have to

keep paying pension payments to the policyholders for longer than expected at the time of pricing the policies (longevity risk). Longevity risk is the most significant of the company's biometric risks. The with-profit group pension portfolio accounts for most of the longevity risk. In the unit-linked group pension and individual pension portfolio, longevity risk is less significant because most of these policies are fixed-term policies which include a death cover, which mitigates longevity risk. The long duration of policies and the restriction of the company's right to change policy terms and conditions and premiums increases biometric risks. If the premiums turn out to be insufficient and the pricing of the policies cannot be changed afterwards, insurance contract liabilities are supplemented with an amount corresponding to the expected losses.

Operational risk refers to the risk of loss resulting from inadequate or failed processes or systems, from personnel or from external events. Operational risk may materialise as additional expenses, compensations for caused damages, non-compliance with rules and regulations, loss of reputation, false information on risk position and consecutive losses, and interruption of business activities. The goal of operational risk management is to identify risks ahead of time, manage risks effectively and strive to pre-emptively mitigate the impacts of any realised risks in

a cost-effective manner. Business areas are responsible for the identification, assessment, monitoring and management of their own operational risks.

Liquidity risk is the risk of the Group or one of its companies being unable to realise its investments or other assets in order to settle its financial obligations when they fall due. Liquidity risk bears relatively little significance in Mandatum Group. It bears the most significance in Mandatum Life but, as a rule, a life insurance company's liabilities in a with-profit insurance portfolio are relatively predictable, and a sufficient share of the corresponding investment assets consists of cash or short-term money market investments. Liquidity risk is also significant for the parent company in relation to maturing loans and ensuring dividend payment capacity.

A note to the financial statements, Note 5, has been prepared on risks and risk management explaining Mandatum Group's key risks and their impact on the consolidated financial statements in detail.

Major risks and uncertainties for the Group in the short term

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 an 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 the 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 a 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. 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.

Sustainability

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.

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.

The Company's sustainability efforts and management are guided by its sustainability strategy. Over the past year, the strategy was updated based on the results of a double materiality assesment. This analysis assessed how the business impacts the environment and people, as well as the sustainability-related risks and opportunities affecting Mandatum. Based on the findings, new sustainability targets were also set.

As part of this Report of the Board of Directors 2025, Mandatum is publishing its first sustainability statement in accordance with the Corporate Sustainability Reporting Directive (CSRD). This comprehensive report provides insights into the identified risks, opportunities, and overall impact.

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

Remuneration

The Board of Directors of Mandatum plc decides on Mandatum Group's remuneration principles, which are applied to all Group companies. Mandatum's Annual General Meeting resolves in an advisory manner on the Remuneration Policy for Governing Bodies, which defines the key principles and framework for the remuneration of Mandatum plc's Board of Directors and CEO.

Remuneration at Mandatum has been designed to enhance the company's financial performance and sustainable business. The remuneration systems are fair and encouraging, and they are aligned with the risk management principles. In the remuneration systems, consideration is given to how the selected performance criteria enhance the execution of the Group's strategy and achievement of goals, as well as promote the key areas identified in the sustainability strategy.

The objective of the remuneration is to attract and commit talented and motivated employees and encourage them to perform their best and surpass the targets set for them. Variable remuneration is used to ensure the competitiveness of the remuneration packages and to support the implementation of the company's strategy and achievement of the goals.

Mandatum's remuneration packages include elements of both fixed and variable remuneration. The remuneration package is complemented by comprehensive benefits, such as a supplementary defined contribution pension benefit and a personnel fund for all personnel. Remuneration packages are designed to an appropriate balance between fixed and variable remuneration.

Fixed salary is the basis of the remuneration package. Fixed compensation shall be based on the employee's general level of responsibility, position in the company, work performance and quality of work, as well as other factors such as market salary data. Fixed salary is supplemented by variable incentive schemes.

For certain individuals (identified staff) a certain proportion of variable remuneration is deferred for a defined period of time in accordance with the deferral policy applied by the Group company. The deferral practices comply with the requirements set by the regulations applicable to the Group companies. At the end of the deferral period, the Board of Directors of each Mandatum Group company decides whether the deferred variable remuneration can be paid in whole or in part.

In 2024, the Board of Directors of Mandatum plc decided to establish a performance- and share-based long-term

incentive scheme (Performance Share Plan) for the Group Management Team and selected key employees. The Performance Share Plan consists of annually commencing individual share plans. In addition, key employees and the Group CEO of Mandatum are taking part in Sampo Group's long-term incentive scheme for historical reasons. Further information on the long-term incentive schemes is available in the Remuneration Report for Governing Bodies and on the website at mandatum.fi/en/group/governance/remuneration/long-term-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.

Mandatum plc's Remuneration Report for Governing Bodies 2023 and the Remuneration Policy for Governing Bodies were presented to Mandatum's Annual General Meeting on 15 May 2024. The Annual General Meeting resolved to support both the report and policy with an advisory resolution. The Remuneration Report for Governing Bodies 2024 has been published at mandatum.fi/en/year2024.

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; Kimmo Laaksonen, member; Markus Aho, member; Jukka Ruuska, member, and Herman Korsgaard, member.

Group Management Team

As at 31 December 2024, there were seven members in 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 and Matti Ahokas, CFO.

Changes in the 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 Mandatum Life Group and 126 (136) by 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.

In the financial year 2024, Mandatum Group paid a total of EUR 48.0 (46.7) million in wages and salaries.

Employees by location

	31 Dec 2024	31 Dec 2023	31 Dec 2022
Capital region	625	642	613
Rest of Finland	47	45	44
Luxembourg	4	4	4
Sweden ¹	3	3	2
Total	679	694	663

1) The personnel in Sweden are employed by the Mandatum Assets Management Ltd's branch office in Sweden, Mandatum Asset Management Ltd, filial i Sverige

Paid wages and salaries

EUR million	1-12/2024	1-12/2023	1-12/2022
Wages and salaries	48.0	46.7	41.8

EVENTS AFTER THE END OF THE REPORTING PERIOD

On 10 March 2025, Mandatum announced to sell all of its shares, amounting to 19.83 per cent, in Saxo Bank A/S to Bank J. Safra Sarasin AG for approximately EUR 319 million. Mandatum expects to record a minor pre-tax gain after transaction costs for the first quarter of 2025. The final value and Mandatum's share of the purchase price remains subject to possible downward adjustment, as agreed in the share purchase agreement, the certainty and quantity of which may remain open for an extended period of time. Mandatum expects this adjustment to its share of the purchase price, if materialised, to amount to single digit of millions. If the transaction would have taken effect as at 31 December 2024, Mandatum's pro forma solvency ratio would have increased from 210 per cent to approximately 242 per cent as at 31 December 2024 due to decreased solvency capital requirement.

The transaction is subject to standard regulatory and other approvals, including from the FINMA (Swiss Financial Market Supervisory Authority) and the DFSA (Danish Financial Supervisory Authority), and is expected to be finalised before the end of the year 2025. The amount to be received by Mandatum will be paid in cash at the closing and depend on, for example, the timing of the closing. After the closing

Mandatum will use the proceeds received to repay the EUR 200 million bank loan that was used to finance the acquisition of the Saxo Bank shares from Sampo plc.

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: 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.

KEY FIGURES AND CALCULATION FORMULAS

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

Key figures

Per share key figures		2024	2023	2022
Earnings per share	EUR	0.33	0.32	0.12
Equity per share ¹	EUR	3.19	3.19	3.37
Organic capital generation per share	EUR	0.44	0.54	-
Dividend per share ²	EUR	0.66	0.33	-
Dividend per earnings	%	201.2%	103.1%	-
Effective dividend yield	%	14.8%	8.1%	-
Price/earnings ratio		13.64	12.71	-
Number of shares at 31 Dec	1,000 pcs	502,697	501,797	-
Average number of shares	1,000 pcs	502,074	501,797	-
Weighted average number of shares	1,000 pcs	502,067	501,797	-
Market capitalisation ³	EUR million	2,249	2,042	-

1) The number of shares used in the calculation corresponds to the adjusted average number of shares, which amounted to 501,796,752 in the year 2023 and 502,067,244 in the year 2024.

2) Based on the Board of Directors' proposal for the Annual General Meeting concerning the financial year 2024.

3) Based on the closing share price at balance sheet date.

Calculation formulas for performance measures

Solvency ratio	$\frac{\text{Own funds}}{\text{Solvency capital requirement}}$
Leverage ratio	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.
Return on equity, %	$\frac{\text{Profit for the period attributable to shareholders}}{\text{Equity (average of values at 1 Jan and 31 Dec)}} \times 100$
Earnings per share, EUR	$\frac{\text{Profit for the period attributable to shareholders}}{\text{Adjusted average number of shares}}$
Equity per share, EUR	$\frac{\text{Equity attributable to shareholders}}{\text{Adjusted average number of shares}}$
Dividend per share, %	$\frac{\text{Dividend for the accounting period}}{\text{Adjusted number of shares at balance sheet date}} \times 100$
Dividend per earnings, %	$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$
Effective dividend yield, %	$\frac{\text{Dividend per share}}{\text{Adjusted closing share price at balance sheet date}} \times 100$

Calculation formulas for alternative performance measures

Fee result	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.
Net finance result excluding unit-linked related result	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.
Result related to risk policies	Insurance service result related to risk insurance policies.
Other result	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

Net flow	Net flow consists of client AuM inflow, client AuM outflow and transfers between with-profit and unit-linked sections.
Client assets	Assets related to unit-linked policies and other client assets under management.
Cost/income ratio related to client AuM	$\frac{\text{Expenses related to management of client assets}}{\text{Income related to the management of client assets}}$
Organic capital generation (OCG)	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.

SUSTAINABILITY STATEMENT

GENERAL DISCLOSURES

GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENTS

This Sustainability Statement covers Mandatum plc and its subsidiaries Mandatum Life Insurance Company Ltd (Mandatum Life) and Mandatum Asset Management Ltd (MAM), as well as their sub-group companies (hereinafter together “Mandatum” or “the company”). The Sustainability Statement mainly discusses Group-level information, while including information on subsidiaries when necessary to provide a more complete picture. The level of consolidation is consistent with the financial statements. For EU taxonomy reporting, the scope of consolidation is described separately for each entity before the taxonomy reporting tables, and for investments, the scope of consolidation is described in the calculation principles. The Sustainability Statement is published annually as part of the Report of the Board of Directors. The reporting period is the same as for financial reporting and covers the period from 1 January to 31 December 2024.

The Sustainability Statement has been prepared in accordance with the EU’s

Corporate Sustainability Reporting Directive (CSRD) and the required European Sustainability Reporting Standards (ESRS). The sustainability topics reported on are derived from the double materiality assessment conducted in 2023–2024. For a more detailed description of the materiality assessment, see the chapter *Description of the processes to identify and assess material impacts, risks and opportunities*. The assessment of sustainability topics relevant to reporting has extended throughout Mandatum’s value chain, which in addition to Mandatum’s own operations and personnel, particularly covers the company’s investments, procurement and clients. Mandatum reports on the material sustainability topics that take place at different stages of the value chain and the related policies, actions, targets and metrics within the different topical sections.

This is the first year that Mandatum is reporting in accordance with the CSRD, which is why sustainability information is not presented for the comparative period. When reporting forward-looking information, the company makes assumptions about possible future events and outlines potential future actions related to these events. The actual outcome may

differ, as the predicted events do not always occur as expected.

The option to omit information corresponding to intellectual property, know-how or the results of innovation was not exercised in the Sustainability Statement.

The marking of the Sustainability Statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1, Paragraph 2 of the Accounting Act is not followed in this Sustainability Statement, as it has not been possible for the reporting companies to comply with this provision during the reporting period due to the absence of the ESEF regulation or other European Union legislation.

DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

Information regarding specific circumstances in this Sustainability Statement is presented in the topical sections together with the disclosure requirements they pertain to.

Estimation is utilised in certain metrics included in the Sustainability Statement when a more precise data source is not available. Such information includes, for example, greenhouse gas emissions, which are described in more detail in the chapter *Gross Scopes 1, 2, 3 and Total GHG emissions*. Emission calculation involves measurement uncertainty as certain data is based on estimation.

THE ROLE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The composition and diversity of the administrative, management and supervisory bodies

The highest decision-making authority in the Mandatum Group is exercised by the Board of Directors, which is elected annually by Mandatum plc’s Annual General Meeting.

Age distribution of senior management, 31 December 2024

	<30 years		30–50 years		>50 years	
Board of Directors	0	0%	2	28.6%	5	71.4%
Group Management Team	0	0%	1	14.3%	6	85.7%

The Board may establish committees, executive committees and other permanent or temporary bodies to deal with tasks prescribed by the Board.

Mandatum plc's Board of Directors has established an Audit Committee and a Remuneration Committee, whose members it appoints from among its members in accordance with the charters of the respective committees. The Mandatum Group Management Team consisted of seven members at the end of 2024. The composition of the Board of Directors and the Management Team is presented in the chapter *Governance and related issues* in the Report of the Board of Directors.

The Board members have extensive experience in the financial sector, both through work experience and various positions of trust internationally, particularly in Nordic companies. The Group Management Team members also have extensive experience in the financial sector, particularly in Finnish and Nordic companies, both through work experience and various positions of trust. The CVs of the Board members and the Group Management Team are available on Mandatum's website.

The gender distribution of senior management is presented in the chapter *Diversity metrics* and age distribution on the

previous page. All Board members, excluding Patrick Lapveteläinen and Herman Korsgaard, are assessed to be independent of the company and its significant shareholders. Patrick Lapveteläinen is assessed to be independent of the company's significant shareholders, but not independent of the company, as he has a permanent position with the company as the full-time Chair of the Board. Herman Korsgaard is assessed to be independent of the company but not independent of the company's significant shareholders, as he is the Chair of the Board of Directors of Altor Invest 8 AS, whose holdings in the company directly or through financial instruments amount to more than 15 per cent according to the flagging notification released on 10 May 2024. Board members who are independent of both the company and its significant shareholders comprise 71.4 per cent of the Board.

In the Mandatum Group, regulations in accordance with the Act on Co-operation (1333/2021, as amended) concerning employee representation in the administration of the employer apply to Mandatum Life Services Ltd. Mandatum Life Services Ltd and Mandatum Life Insurance Company (Mandatum Life Services Ltd's parent company) have agreed together with the personnel to implement the administrative representation pursuant to the Act on Co-operation. Based on the

agreement, personnel have the right to appoint one administrative representative to the Board of Directors of Mandatum Life Insurance Company. In 2024, the personnel did not have an elected administrative representative on the Board of Directors of Mandatum Life Insurance Company.

The composition of the administrative, management and supervisory bodies of Mandatum is described in more detail in the *Corporate Governance Statement* available on the company's website.

Roles and responsibilities of administrative, management and supervisory bodies in exercising oversight of the process to manage material impacts, risks and opportunities

The Board of Directors of Mandatum plc has the responsibility for and ultimate oversight of Group-level sustainability matters, covering all of the company's material sustainability impacts, risks and opportunities. The duties of the Board's Audit Committee include supervising Mandatum's sustainability reporting and other sustainability activities. Both the Audit Committee and the Board as a whole discuss and approve the Sustainability Statement published as part of the Report of the Board of Directors.

The Group CEO bears principal responsibility for sustainability management and leads its strategic implementation together with the Management Team. The person directly in charge of sustainability matters in the Group is the SVP, Communications, Brand and Sustainability, who ensures that the Group CEO receives sufficient briefings on sustainability matters. Mandatum has a Sustainability Committee comprised of senior management, whose duties include Group-level responsibility for promoting sustainability matters, monitoring regulations and integrating material sustainability topics into business operations. The Sustainability Committee also discusses which sustainability topics to submit to the Group Management Team, Audit Committee and the Board of Directors for discussion. The Sustainability Committee is chaired by the SVP, Communications, Brand and Sustainability, and its members include the heads of the business areas and also the SVP, Human Resources, the VP, Investor Relations, the General Counsel, the Head of Compliance, the SVP, Strategic Planning, the CFO, the CIO and the Head of Responsible Investments. The Sustainability Committee convened six times in 2024.

Mandatum also has an Ethical Advisory Board, whose members consist of the General Counsel, the Head of Compliance, the SVP, Human Resources and the Chief

Risk Officer. The Ethics Advisory Board oversees the company's operations and compliance with Mandatum's Code of Conduct and reviews and resolves ethical issues that arise in the organisation. The Advisory Board is also responsible for ensuring that high ethical standards are observed in all of Mandatum's operations. The Ethics Advisory Board meets whenever necessary, and there were no meetings in 2024.

Members of both the Board and the Group Management Team have expertise related to sustainability. Johanna Lamminen, Chair of the Audit Committee, has served as a Board nominee for sustainability topics in another publicly traded company. The extensive experience of members in the financial sector is particularly conducive towards effective control of the sustainability impacts, risks and opportunities that are typical for the sector. Sustainability training is provided for members of the Board and of the Group Management Team on an as-needed basis. In late 2023, a training event on the EU Corporate Sustainability Reporting Directive (CSRD) was organised for the Board, as Mandatum is one of the first companies to be impacted by it. The Board evaluates its performance with an annual self-assessment, which includes sustainability issues. The most recent self-assessment was performed in late 2024.

INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The SVP, Communications, Brand and Sustainability and the Head of Sustainability reporting to the SVP inform the Group CEO on current sustainability matters on a quarterly basis. The Group CEO, meanwhile, reports on sustainability matters at Board meetings when necessary, as part of the CEO's current events review.

The Audit Committee regularly discusses sustainability matters at its meetings. In 2024, the Committee reviewed the implementation of the CSRD reporting requirements at Mandatum at every meeting. During the year under review, the Audit Committee also reviewed and, when necessary, submitted to the Board of Directors for approval, the Sustainability Report for 2023, results of the double materiality assessment, matters related to the development of material sustainability topics, the update of Mandatum's Sustainability Strategy, the update of Mandatum's Responsible Investment Policy and Human Rights Commitment. The Chair of the Audit Committee reports to Mandatum plc's Board of Directors on the topics discussed by the Committee after

each Committee meeting. The Audit Committee convened six times in 2024.

The administrative, management and supervisory bodies monitor the company's material sustainability impacts, risks and opportunities, for instance through the Sustainability Strategy that includes targets and indicators for managing material sustainability topics. The Sustainability Committee is responsible for developing and monitoring the Sustainability Strategy. The Group CEO and Management Team manage the implementation of the Sustainability Strategy. The content of the Sustainability Strategy is reviewed on an as-needed basis, at least once a year. The SVP, Communications, Brand and Sustainability is responsible for the review and update process. Any updates and amendments to the Sustainability Strategy are decided on by the Board of Mandatum plc.

Sustainability risks identified in the materiality assessment have been integrated into Mandatum's risk management system. At Mandatum, business risks are divided into three main categories: strategic risks, earnings risks (including insurance and market risks) and consequential risks (including operational risks). Sustainability risks are classified as risks that belong to all of the above groups, as they can be realised through different risk categories. The Risk Management

function reports on key risks to the Audit Committee and to the Board on a quarterly basis.

INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Mandatum's incentive schemes include consideration of how the selected performance criteria support the implementation of the Group strategy and value creation and help promote the key themes identified in the Sustainability Strategy. Where applicable, sustainability indicators that are material for Mandatum's business are included in the Group's short-term and long-term incentive schemes. Any sustainability performance indicators included in incentive schemes are decided annually in connection with the planning and implementation of each scheme. Designing incentive schemes is guided by the company's Remuneration Principles, under which remuneration shall not be in conflict with sustainable operations and the consideration of sustainability risks. The Group CEO's remuneration is assessed annually and is based on Mandatum's Remuneration Policy for Governing Bodies and the Remuneration Principles for all personnel, as applicable.

Remuneration is firmly tied to the company's risk management framework and

to compliance with the regulation current at any given time. There are restrictions in the incentive schemes to ensure that variable remuneration is not paid out if predetermined threshold criteria (financial and/or qualitative) are not met. Variable remuneration is subject to risk assessment processes after the fact, as per the relevant regulatory requirements. Long-term and short-term incentive schemes in the Mandatum Group are determined by the Board of Mandatum plc. Additionally, the Board decides on the maximum payouts from incentive schemes and on the actual payments to be made based thereon. Members of the Board and supervisory bodies of Mandatum plc are not eligible for the short-term or long-term incentive schemes of the Mandatum Group.

Mandatum's long-term share-based incentive scheme is currently running two schemes, where the earnings periods comprise the financial years 2024–2025 and 2024–2026. The Group CEO participates in these long-term incentive schemes of Mandatum, which include a 10 per cent weighted sustainability target tied to an external ESG rating.

In 2024, the short-term incentive programme covering the Group CEO and Mandatum's entire personnel included customer satisfaction based on the Net Promoter Score (NPS) as a sustainability

indicator. Measuring customer satisfaction is an important part of developing Mandatum's products and services. The Group CEO also had individual targets in respect to good governance. The customer satisfaction indicator was weighted at 14 per cent, and the good governance indicator was weighted at 15 per cent out of all remuneration indicators for the Group CEO in the short-term incentive scheme.

Further information on the Group CEO's and the Board's remuneration can be found in the *Remuneration Report for Governing Bodies* published on the company's website.

Integration of climate targets in incentive schemes

In 2024, Mandatum's climate work was developed, e.g., by committing to achieve net-zero emissions for both investments and own operations by 2050 at the latest. In setting the net-zero target for investments, the company joined the Net Zero Asset Managers initiative (NZAM). NZAM is an international coalition of asset managers aiming to promote sustainable investments and address climate change challenges by strengthening responsible investment. Work on the emission reduction targets continued in autumn 2024, but since the work is in progress, it has not been meaningful to include emissions reduction targets or their fulfilment in the remuneration criteria of members of the

administrative, management and supervisory bodies. Therefore, the incentive schemes do not currently include targets related to climate change mitigation and adaptation.

STATEMENT ON DUE DILIGENCE

Due diligence is a process by which a company identifies, prevents and mitigates its actual and potential negative impacts on the environment and people connected to its business, and describes how it addresses these impacts. The impacts considered include negative impacts related to both the company's own operations and its upstream and downstream value chain. Due diligence is an ongoing practice that is connected to the company's strategy, business model, operations, business relationships, activities, procurement and sales-related conditions, and may cause adjustments to them.

The next table lists the chapters of the Sustainability Statement that provide information about Mandatum's due diligence process and its core elements.

Due diligence process at Mandatum

Core element of due diligence	Chapters in the Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	<ul style="list-style-type: none"> Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies Integration of sustainability-related performance in incentive schemes Material impacts, risks and opportunities and their interaction with strategy and business model
b) Engaging with affected stakeholders in all key steps of the due diligence	<ul style="list-style-type: none"> Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies Interests and views of stakeholders Description of the processes to identify and assess material impacts, risks and opportunities Policies related to climate change mitigation and adaptation Policies related to own workforce Processes for engaging with own workers and workers' representatives about impacts Processes to remediate negative impacts and channels for own workers to raise concerns Business conduct policies and corporate culture
c) Identifying and assessing adverse impacts	<ul style="list-style-type: none"> Description of the processes to identify and assess material impacts, risks and opportunities Material impacts, risks and opportunities and their interaction with strategy and business model
d) Taking actions to address those adverse impacts	<ul style="list-style-type: none"> Use of phased-in Disclosure Requirements in accordance with ESRs 1 Appendix C Transition plan for climate change mitigation Actions and resources in relation to climate change policies Actions and practices related to own workforce Relationships with suppliers Prevention and detection of corruption and bribery
e) Tracking the effectiveness of these efforts and communicating	<ul style="list-style-type: none"> Strategy, business model and value chain Transition plan for climate change mitigation Targets related to climate change mitigation and adaptation Gross Scopes 1, 2, 3 and Total GHG emissions Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities Characteristics of the undertaking's employees Characteristics of non-employee workers in the undertaking's own workforce Diversity metrics Adequate wages Social protection Training and skills development metrics Health and safety metrics Work-life balance metrics Remuneration metrics (pay gap and total remuneration) Incidents, complaints and severe human rights impacts Confirmed incidents of corruption or bribery Payment practices

RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

The internal control system includes managing operational and compliance risks in addition to all other risks associated with business activities. Internal control is a process including tasks and activities designed to provide reasonable assurance regarding the achievement of objectives relating to the operations, reporting and compliance of the organisation. It also fosters trust and approval among clients and other stakeholders.

The Group risk management framework covers all risk classes, as well as all business activities and processes, including the sustainability reporting process. The risk management framework is described in more detail in the Risk Management Policy published on Mandatum's website. Risk management is also described in the chapter *Risk management* of the Report of the Board of Directors.

The key elements of Mandatum's risk management process are the identification and evaluation of risks, risk management actions and the monitoring and reporting of risks. Risks are identified through the Risk and Control Self-Assessment (RCSA) process, the Change Risk Assessment (CRA) process and as part of the incident management process. Risks are identified

through the activities of different organisational units, but another important approach is to identify risks through processes, such as the sustainability reporting process. The evaluation of risks consists of assessing the impact and probability of the identified risks based on internal guidelines. This serves as a tool for identifying material risks.

The key risks related to the sustainability reporting process include the inaccuracy of reported information, delays in the agreed reporting schedule, insufficient understanding of the new sustainability reporting framework within the organisation and lack of documentation for the assurance process. To ensure that Mandatum reports accurate information in a timely manner, the company has implemented a sustainability reporting process with clear instructions and communication, as well as specific roles and responsibilities. The sustainability reporting process is linked to various other internal processes with relevant controls to mitigate risks. Mandatum has also sought the support of outside advisors to ensure sufficient knowledge of the reporting framework, and controls have been set to ensure the accuracy and quality of documentation.

In accordance with the Risk Management Policy, the Group's Risk Management function reports on key risks to the Board and to the Management Team on a

quarterly basis. Reporting also covers the risks related to the sustainability reporting process when they are material risks at the Group or Group-company level.

STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Strategy

Mandatum's long-term strategy is to grow in its capital-light business areas while scaling down the capital-heavy with-profit business in a predictable manner. The growth strategy is described in more detail in the *Strategy and business model* chapter of the Annual Report.

The company's sustainability targets are defined in the Sustainability Strategy, which was updated utilising the results of the double materiality assessment completed in spring 2024. The aim of Mandatum's Sustainability Strategy is to complement and support the Group strategy in areas related to sustainability to enhance their management and effectiveness. During the update, new targets and metrics were defined based on the material sustainability matters, with monitoring starting in 2025. Therefore, the base year from which the progress of the targets will be measured will also be 2025. As the targets are newly established, their progress relative to the base year cannot yet be assessed, and no changes to the targets have been made

during the reporting period. The targets apply indefinitely and will be reviewed as needed and at least annually. The target levels have been set either as absolute or relative improvements compared to the base year. Targets and metrics linked to material sustainability topics are presented in the topical sections of the Sustainability Statement.

The targets and metrics were prepared in collaboration with Mandatum's business units as well as specialists and heads in relation to various sustainability topics. Stakeholder views that emerged in the stakeholder interviews of the materiality assessment were also considered in this process.

In addition to material sustainability matters, the Sustainability Strategy considers the products, services, client segments and operating environment that are essential to Mandatum's business. The scope of the targets extends through investments to the upstream value chain, through personnel and operations to Mandatum's own business operations and through client-related targets to the downstream value chain. The geographical scope of the targets related to investments is global. The targets related to own personnel, operations and clients are related to the countries where the company conducts business.

The Sustainability Strategy builds on three key themes that form the foundation for the company's business. These are responsible investment, promoting financial security and a good working life and responsibility in Mandatum's own operations. The targets and metrics related to the three key themes are described in whole in the 2024 *Sustainability Review* supplementing the Sustainability Statement.

Responsible investment

In Mandatum's view, companies that operate responsibly perform better. By investing responsibly itself, Mandatum makes better-justified investment decisions that align with its long-term sustainability and risk management objectives.

Responsible investment involves managing assets in a way that considers environmental, social and governance (ESG) matters in investment analysis, decision-making and reporting on investments.

Mandatum aims to both understand and account for the sustainability risks and opportunities related to its investments and to identify and mitigate the adverse impacts of its investment activities on the environment, climate, society, employees, human rights and matters related to combatting corruption and bribery.

Promoting financial security and a good working life

Through its business operations, Mandatum strives to improve the financial security of its clients and promote responsible HR practices of its client companies.

The company offers its clients options for voluntary preparedness that supplement statutory social security. Preparedness and wealth creation also generate value for society.

Mandatum's goal is to actively promote responsible compensation in Finnish companies. Well-managed and well-led business operations strengthen the conditions for success and create well-being among the company's employees.

Responsibility in own operations

Responsibility for employees and sustainable operating methods is part of building a successful business. The well-being of employees is one of Mandatum's strategic goals. By taking care of it, Mandatum also enhances the company's operational capability and profitability.

Sustainable business management and practices form the foundation of Mandatum's operations. Good governance ensures that Group companies and their personnel, suppliers and other partners

comply with laws, regulations and generally accepted principles.

Financial responsibility means ensuring the continuity, profitability, earnings power and solvency of operations in all market conditions. Ensuring continuity creates the foundation for the sustainable and responsible management of clients' insurance-related liabilities and clients' investments and pensions for decades. Hence, risk management is also a key component of Mandatum's financial responsibility.

In addition to paying taxes and creating employment, Mandatum's services generate societal added value. Investment, insurance and reward and compensation products and services are part of the societal infrastructure that enables the functioning of a modern society and economy.

Business model

Mandatum's business operations are divided into four business areas: Institutional & wealth management, Corporate clients, Retail clients and With-profit business. The company's business areas, product and service offering and key business partners are described in more detail in chapter *Business areas* in the Report of the Board of Directors.

Mandatum's key success factor is targeting its diverse service offering precisely to the situations and needs of different client segments. With this operating model, the company aims to keep generating added value both for clients and Mandatum's own business. Skilled sales and client relations personnel is the company's main strength in the distribution of products and services.

Value chain

The company's value chain has been defined as described here as part of the double materiality assessment. Mandatum's upstream value chain consists of the investment objects included in the investment products offered by the company, as well as the product and service providers from which it makes procurements. In the value chain, Mandatum's own operations include personnel and all of its direct business. The downstream value chain consists of clients.

INTERESTS AND VIEWS OF STAKEHOLDERS

Mandatum's key stakeholders are clients, personnel, partners, owners, authorities, media, societal decision-makers and influencers, communities and workers in the value chain. In addition, each stakeholder category has numerous sub-groups.

Mandatum's way of cooperating with stakeholders is based on working together with, listening to and informing relevant stakeholders. Responsibility for stakeholder cooperation is decentralised, which means that each business function or unit has responsibilities related to the theme. Continuous dialogue with stakeholders provides information on what stakeholders consider important and what is expected of Mandatum as a company. By investing in stakeholder cooperation, the company is able to proactively take into account the

needs and wishes of stakeholders and prevent and mitigate potential risks, such as feelings of uncertainty or dissatisfaction among key stakeholders.

To understand stakeholder views on material sustainability topics, Mandatum conducted stakeholder interviews as part of the double materiality assessment. The results and the resulting comments from stakeholder interviews were utilised to update Mandatum's Sustainability Strategy in 2024. For a more detailed description of the materiality assessment, see the chapter *Description of the processes to identify and assess material impacts, risks and opportunities*. The table on the following page describes how Mandatum practices stakeholder engagement with its key stakeholders.

Consideration of own personnel as a key stakeholder

The well-being of employees is one of Mandatum's most important success factors and listed among the company's strategic goals. The interests, views and rights of employees play a key role in the strategy and business model. The company complies with applicable human rights and labour laws and ensures that full enjoyment of the rights enshrined therein is guaranteed to employees. Employees are engaged in many ways in the company's internal planning, and the results of employee

satisfaction surveys are monitored and analysed regularly, from the team-level up to senior management. The Change Negotiation Committee works with both the employer and employees. This Committee includes the employee representative, SVP, Human Resources and occupational safety representative, among others. The Committee meets regularly.

The material sustainability matters related to own workforce identified in the double materiality assessment are working conditions, equal treatment, equal opportunities and other work-related rights. The impacts of these matters are listed in the table in the next chapter. Employees are regularly heard on these material topics through employee surveys, and their views are considered in strategy development. The Sustainability Strategy also monitors metrics related to employee satisfaction and diversity, equity and inclusion. In a specialist organisation, the selected strategy and its implementation as well as the business model may affect the scope of material impacts, if they were not to be sufficiently considered.

Mandatum's value chain

Upstream value chain	Own operations	Downstream value chain
<ul style="list-style-type: none"> • Issuers of securities • Financial product distributors • Trading brokers • Product and service providers • IT infrastructure 	<p>Own personnel</p> <p>Services offered by Mandatum:</p> <ul style="list-style-type: none"> • Private wealth management and asset management • Investment and saving solutions • Pension solutions • Corporate wealth management and insurance • Compensation and commitment services • Personal risk insurance • Mandatum Trader investment service 	<p>Clients:</p> <ul style="list-style-type: none"> • Institutional & wealth management clients • Corporate clients • Retail clients • Insurance clients of With-profit business

Stakeholder engagement at Mandatum

Stakeholder	How engagement is organised	Purpose of engagement	Consideration of engagement outcomes
Clients	<ul style="list-style-type: none"> • Customer service • Client surveys • Appointments • Phone calls • Events 	<ul style="list-style-type: none"> • Creating benefit for clients by providing services suitable for the client's situation and needs • Advancing business objectives 	<ul style="list-style-type: none"> • Implementation and maintenance of solutions offered to clients by taking into account client feedback
Personnel	<ul style="list-style-type: none"> • Personnel surveys • Training • Conversations with supervisors • Personnel briefings • Continuous opportunity to provide feedback • Company intranet 	<ul style="list-style-type: none"> • Promoting the meaningfulness of work among personnel • Understanding employees' wishes and views • Supporting work and ensuring prerequisites for success 	<ul style="list-style-type: none"> • Considering the views of personnel and the results of personnel surveys in line manager work and leadership development • Personal conversations between line managers and employees
Partners (external service providers)	<ul style="list-style-type: none"> • Distribution partnerships • Marketing collaborations • Continuous dialogue 	<ul style="list-style-type: none"> • Enhancing the efficiency of partners' and the company's own business through co-operation • Promoting customer satisfaction and solutions offered to clients 	<ul style="list-style-type: none"> • Continuous monitoring and development of co-operation and services
Owners and investors	<ul style="list-style-type: none"> • Annual general meeting • Stock exchange releases and press releases • Investor events • Website • Social media • Continuous dialogue 	<ul style="list-style-type: none"> • Supporting the correct valuation of the company's share • Furthering understanding • Openness and transparency 	<ul style="list-style-type: none"> • Responding to the needs of owners and investors through active dialogue and its continuous development
Authorities	<ul style="list-style-type: none"> • Ongoing dialogue with applicable supervisory authorities • Monitoring regulation and regulatory releases • Reporting 	<ul style="list-style-type: none"> • Assuring regulatory compliance 	<ul style="list-style-type: none"> • Preparing for changes in the regulatory environment • Continuous improvement of operations and practices
Media	<ul style="list-style-type: none"> • Dialogue • Press releases, stock exchange releases, interviews, background statements, the company's own content 	<ul style="list-style-type: none"> • Communication of accurate, consistent, adequate and up-to-date information • Active and trustworthy media relations 	<ul style="list-style-type: none"> • Maintaining and developing media relations
Societal decision-makers and influencers	<ul style="list-style-type: none"> • Dialogue as needed • The company's own content • Transparency register 	<ul style="list-style-type: none"> • Promoting societal impact and sharing information • Creating an understanding of the societal significance of Mandatum's business operations (e.g. tax footprint and increasing the social safety net) 	<ul style="list-style-type: none"> • Promotion of societal matters
Communities	<ul style="list-style-type: none"> • Memberships, networks, initiatives, commitments • Campaigns • Donations, volunteering 	<ul style="list-style-type: none"> • Networking and sharing knowledge • Enabling issues that are important to communities • Continuous promotion of responsible practices 	<ul style="list-style-type: none"> • Considering information obtained through networks and the views of communities in the development of sustainable business operations
Workers in the value chain (evaluation of investments)	<ul style="list-style-type: none"> • Engagement with investee companies directly or through pooled engagement • Norm-based screening in direct equity and fixed income investments 	<ul style="list-style-type: none"> • In collaboration with investee companies, Mandatum aims to reduce identified sustainability-related risks • The goal of norm-based screening is to identify potential breaches and respond to them 	<ul style="list-style-type: none"> • If breaches occur, depending on their severity, nature and extent, portfolio management measures may consist of direct dialogue with company management, engagement measures, or as a last resort, divestment if the investee company does not respond to engagement efforts and does not take measures to prevent the misconduct or breach within a reasonable time frame

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Material impacts, risks and opportunities

In the double materiality assessment conducted by Mandatum, the company has identified how its business operations affect the environment and people, and which sustainability risks and opportunities Mandatum is impacted by. For a more detailed description of the materiality assessment, see the chapter *Description of the processes to identify and assess material impacts, risks and opportunities*. As a result of the assessment, the material topical ESRS for Mandatum are E1 Climate change, E4 Biodiversity and ecosystems, S1 Own workforce, S2 Workers in the value chain, S4 Consumers and end-users and G1 Business Conduct, along with entity-specific disclosures, of which cyber security and taxes are material sustainability matters for Mandatum. Entity-specific disclosures refer to material sustainability matters that are not covered by the ESRS.

The following tables outline the sustainability impacts, risks and opportunities that are material for Mandatum based on the ESRS and their sub-topics. The tables also describe the point in the value chain to which each identified material impact, risk or

opportunity relates to. The impacts are actual, unless specifically mentioned that an impact is potential. The topical sections of the Sustainability Statement provide more detailed descriptions of the sustainability matters related to them.

In the 2024 Sustainability Statement, Mandatum applies transitional provisions in the ESRS E4 Biodiversity and ecosystems, S2 Workers in the value chain and S4 Consumers and end-users as well as entity-specific disclosures. Brief descriptions on the material sustainability matters included in the aforementioned standards and entity-specific disclosures and how they are taken into account in the company's business model and strategy, as well as key targets, metrics, policies and actions are provided in the chapter *Use of phased-in Disclosure Requirements in accordance with ESRS 1 Appendix C*.

ESRS E1 Climate change

Material ESRS topic	Impact, risk or opportunity in Mandatum's value chain	Description of impact, risk or opportunity
Climate change mitigation	Negative impact, upstream value chain	Greenhouse gas emissions from investments.
	Negative impact, own operations	Greenhouse gas emissions from own operations.
	Opportunity, upstream value chain	Financial opportunities in situations where investments contribute to climate change mitigation and the transition to a low-carbon economy. In Mandatum's view, responsible investment is a way to secure investment returns in the long term, and at the same time a means to ensure that sustainability risks and opportunities are broadly considered in investment decisions.
	Positive impact, own operations	Compensation services through which Mandatum helps client companies determine metrics for responsible compensation, such as emissions reductions, in key employees' and personnel's long-term incentive schemes.
Climate change adaptation	Positive impact, upstream value chain	Capabilities of investees to support climate change adaptation. (For example, when making direct investments in energy companies, Mandatum's goal is to invest in companies with a clear and credible strategy to transition from fossil fuels to a more sustainable business model.)
	Risk, upstream value chain	Physical chronic and acute risks in investments that have a negative impact on the value of Mandatum's investments.
	Risk, upstream value chain	Transition risks in investments that have a negative impact on the value of Mandatum's investments.

ESRS E4 Biodiversity and ecosystems

Material ESRS topic	Impact, risk or opportunity in Mandatum's value chain	Description of impact, risk or opportunity
Climate change	Negative impact, upstream value chain	The generation of greenhouse gas emissions in investees' operations. Climate change has negative impacts also on biodiversity and ecosystems.
Impacts on the state of species	Negative impact, upstream value chain	Impacts of investees' land use on populations, local biodiversity and ecosystems.
Impacts on the extent and condition of ecosystems	Negative impact, upstream value chain	Impacts of investees on ecosystems.
	Positive impact, upstream value chain	Mandatum implements several practical actions during the ownership period to promote positive biodiversity impacts at the international real estate fund investment level.

ESRS S1 Own workforce

Material ESRS topic	Impact, risk or opportunity in Mandatum's value chain	Description of impact, risk or opportunity
Working conditions: <ul style="list-style-type: none"> Secure employment Working time Adequate wages Work-life balance Health and safety 	Positive impact, own operations	Mandatum provides permanent and stable employment. Mandatum sees as an opportunity whereby offering stable employment relationships and ensuring good work-life balance, the company can increase employee satisfaction and commitment as well as attract new competent employees.
	Positive impact, own operations	The majority of Mandatum's employees have full-time employment.
	Positive impact, own operations	The payment of adequate wages positively affects employees by enabling a good livelihood for them and their families. Wages are paid in accordance with contracts and laws.
	Positive impact, own operations	A smooth and good everyday working environment has long been an important value for Mandatum. Competent and motivated personnel is crucial for the continuity of the company's business operations.
	Opportunity, own operations	A good work-life balance increases the chances of recruiting and keeping the best employees. By ensuring a good work-life balance, the company can increase job satisfaction and commitment, as well as attract new talent.
	Risk, own operations	Excessive workload or lack of workload control can lead to a lack of motivation and poorer performance. A poor work-life balance reduces the chances of recruiting and keeping the best employees.
	Positive impact, own operations	A personnel with a good level of well-being is also motivated, and this has a positive impact on business. Mandatum is committed to promoting the health, well-being and work capacity of its employees.
	Opportunity, own operations	A good level of health and safety increases the chances of recruiting and keeping the best employees. Employees whose well-being and work capacity are good perform better at their jobs.
Equal treatment and opportunities for all: <ul style="list-style-type: none"> Gender equality and equal pay for work of equal value Training and skills development Measures against violence and harassment in the workplace 	Positive impact, own operations	Mandatum is committed to gender equality and equal pay. The company has an impact on the implementation of personnel's equality. Equal treatment regardless of gender is important to employees.
	Opportunity, own operations	Competent employees do their jobs well and efficiently. Effective training and competence development programmes increase Mandatum's attractiveness as an employer.
	Positive impact, own operations	Prevention of violence and harassment has a positive impact on personnel and their well-being. Mandatum has specific internal guidelines and processes for dealing with discrimination and harassment incidents.
	Negative impact (potential), own operations	If violence or harassment were to occur, it could have a major negative impact on the affected employees, potentially leading to e.g. health problems, loss of motivation and hindered career opportunities.
	Positive impact, own operations	Mandatum aims to promote diversity and inclusion in all personnel groups. At the company, each person is to be treated with respect; inappropriate treatment, discrimination or harassment in any form is not tolerated. Mandatum sees as an opportunity whereby ensuring equitable practices, the company can increase employee satisfaction and commitment as well as attract new competent employees.
	Opportunity, own operations	Diversity improves the organisation's problem-solving ability and fuels innovation and creativity. Studies have shown that diverse organisations outperform less diverse ones in terms of financial result and performance.
	Risk, own operations	Discrimination and inequality in the workplace could cause reputational harm to Mandatum, making the company less attractive as an employer and leading to financial losses as a consequence.
Other work-related rights: <ul style="list-style-type: none"> Privacy 	Positive impact, own operations	Mandatum is committed to the lawful, appropriate and transparent processing of personal data, while respecting human rights in all aspects of information management.
	Negative impact (potential), own operations	The leaking of employees' personal data or other privacy breaches could have a negative impact.
	Risk, own operations	If actualised, the leaking of employees' personal data or other privacy breaches could lead to Mandatum being fined or otherwise sanctioned and suffering reputational harm.

ESRS S2 Workers in the value chain

Material ESRS topic	Impact, risk or opportunity in Mandatum's value chain	Description of impact, risk or opportunity
Working conditions	Negative impact (potential), upstream value chain	Potential negative health impacts and accidents at investee companies.
Other work-related rights	Negative impact (potential), upstream value chain	Potential use of child labour at investee companies.
	Negative impact (potential), upstream value chain	Potential use of forced labour at investee companies.

ESRS S4 Consumers and end-users

Material ESRS topic	Impact, risk or opportunity in Mandatum's value chain	Description of impact, risk or opportunity
Information-related impacts for consumers and/or end-users	Negative impact (potential), upstream value chain	If actualised, privacy and information security issues at investee companies could compromise their client data.
	Positive impact, own operations	Mandatum has ensured through both administrative and technical means that the Group's information security and cyber security are in order. Mandatum seeks to ensure that the privacy of the employer, employees, clients and other stakeholders is not violated.
	Negative impact (potential), own operations	If actualised, the leaking of clients' personal data or other privacy violations would have a negative impact.
	Risk, own operations	If personal data of clients were to leak or their privacy were otherwise to be violated, Mandatum could face fines and/or other sanctions and suffer reputational harm.
	Risk, upstream value chain	If Mandatum's client data were to be leaked by partners in the value chain, this risk would have ripple effects on Mandatum as well.
	Positive impact, own operations	Providing the client with correct and adequate information through high-quality advice, information obligations and compliance with other regulatory requirements.
Personal safety of consumers and/or end-users	Positive impact, own operations	Financial security through Mandatum's products and services has a positive impact on the well-being of clients. This can provide financial security far into the future.
	Opportunity, own operations	The well-being of client companies' employees reduces Mandatum's insurance risk.
	Negative impact (potential), upstream value chain	The products or services provided by investee companies could pose a health or safety risk to consumers.
	Risk, own operations	Epidemics and pandemics may at their worst increase the mortality rate, which could pose an insurance risk to Mandatum.
Social inclusion of consumers and/or end-users	Positive impact, own operations	Equal, non-discriminatory and fair treatment of clients.
	Positive impact, own operations	Mandatum promotes equal pay in its client companies and in society at large.
	Opportunity, own operations	Loyalty of clients satisfied with service that is timely, of high quality and smooth, and with being treated equally and fairly.
	Positive impact, own operations	Ensuring the availability of services to secure consumer inclusion, e.g. making services available to those beyond the reach of digital services (the elderly and other groups) or providing multiple language versions of the services.
	Positive impact, own operations	In accordance with the Code of Conduct, Mandatum's sales, marketing and product information must be professional, comprehensive, accurate and unbiased, and the information must not be misleading.

ESRS G1 Business conduct

Material ESRS topic	Impact, risk or opportunity in Mandatum's value chain	Description of impact, risk or opportunity
Corporate culture	Positive impact, own operations	The Code of Conduct guides Group companies, personnel and management to act in accordance with ethical principles.
	Negative impact (potential), own operations	Potential negative impact if the Code of Conduct is not followed.
	Positive impact, upstream value chain	Mandatum carries out direct engagement through conversations with the management at investee companies, voting at shareholder meetings and participating in pooled engagement.
	Positive impact, own operations	Management of insider information according to the Code of Conduct and restrictions, in compliance with all laws and regulatory requirements.
	Positive impact, upstream value chain	Mandatum requires suppliers to affirm that they are not party to any anti-competitive activities, legal proceedings due to contractual breaches, criminal proceedings or any other charges due to an infraction of the law.
	Risk, own operations	Unexpected or more restrictive amendments to sustainability regulations may limit business or lead to higher costs.
Protection of whistleblowers	Positive impact, own operations	In handling whistleblower reports, Mandatum complies with applicable whistleblower protection legislation and guarantees the necessary protection and control measures to protect the identity of the whistleblower and to ensure that no retaliatory action is taken against them because of the report.
Management of relationships with suppliers including payment practices	Positive impact, own operations	Facilitating financial predictability for partners and suppliers through timely payment of invoices.
	Positive impact, upstream value chain	Most of Mandatum's supplier agreements are long-term.
Corruption and bribery	Positive impact, own operations, upstream and downstream value chain	Mandatum is committed to combatting corruption and bribery. The company requires all employees, clients, partners and other business partners to do the same.
	Positive impact, own operations	Preventing anti-competitive behaviour and thereby enabling fair competition.
	Positive impact, own operations	Mandatum promotes the discovery of corruption, fraud or money laundering e.g. by having an anonymous whistleblower channel and organising employee training.
	Positive impact, own operations	Mandatum has policies, guidelines, operating principles and risk management systems in place to prevent money laundering and terrorist financing.
	Negative impact, upstream value chain	Investee companies that do not have policies in place to combat corruption and bribery as per the UN Convention against Corruption.
	Negative impact (potential), own operations	Potential money laundering and terrorist financing or related suspicions.
	Negative impact (potential), own operations	Potential incidents of corruption or bribery.

Entity-specific disclosures

Material ESRS topic	Impact, risk or opportunity in Mandatum's value chain	Description of impact, risk or opportunity
Taxes	Positive impact, own operations	Mandatum is committed to acting in compliance with valid and applicable tax legislation and does not seek to take measures that are intended, instead of business targets, to attain tax benefits in breach of the objectives of the law. Mandatum is also committed to not artificially transferring the generated wealth to low-tax countries. Mandatum reports its taxable income annually to the tax authority and strives to pay its taxes in a timely manner and in the correct amount.
	Positive impact, own operations	Mandatum is among Finland's largest corporate taxpayers.
	Risk, own operations	Changes in legislation, judicial practice or tax practice that negatively affect Mandatum's operations, the products offered by it, or its clients.
Cyber security	Positive impact, own operations	Mandatum takes into account information security risks involved in the development and maintenance of digital and data-driven business. Adequate measures are taken to minimise disruptions and misconduct. Cyber security is considered in all activities, with particular attention to identifying cyber threats and risks and acting on any related observations without delay.
	Positive impact, upstream value chain	Mandatum requires its suppliers to commit to information security.
	Positive impact, upstream value chain	Efforts are made to ensure adequate information security awareness and competence of external partners through agreements, guidelines and, if necessary, training.
	Risk, own operations	Adverse impacts on business caused by potential disruptions, misconduct or cyber threats.

Interaction of material impacts, risks and opportunities with the strategy and business model

The sustainability impacts, risks and opportunities identified in Mandatum's double materiality assessment formed the basis for the update to the company's Sustainability Strategy in 2024, and will continue to be used in the future development of sustainability targets and metrics. Going forward, the materiality assessment will be updated annually to provide the company with the best and most up-to-date understanding of sustainability-related matters. The different needs for considering impacts, risks and opportunities in the strategy and business model will also be assessed annually in the same context. The results of the assessment are validated by the Sustainability Committee and by the Audit Committee of the Board.

In the materiality assessment, the impacts, risks and opportunities have been assessed in the short, medium and long term. Short term means less than one year, medium term means 1-5 years and long term means more than 5 years.

The identified material impacts originate from the company's own business operations, from investments and procurement in the upstream value chain and from the client interface in the

downstream value chain. The reasonably expected time horizon for material impacts varies between short, medium and long term. Negative climate and environmental impacts can occur on all time horizons. Investments and own operations generate greenhouse gas emissions both in the short and long term, but on the other hand, changing weather conditions, for example, can also affect biodiversity and ecosystems in the long term. When an impact arises in the investee companies, the relationship with Mandatum is indirect. Positive impacts related to Mandatum's own workforce, business conduct, consumers and end-users, taxes and cyber security arise continuously, as Mandatum implements its operating principles related to the topics. The financial security provided through Mandatum's products and services, in turn, is estimated to have a positive impact on clients' well-being in the long term. Potential negative impacts related to own workforce and business conduct have the potential to materialise in the short, medium and long term. While the impact of these events is high, their probability is estimated to be low.

Mandatum has assessed that its material risks and opportunities do not have significant financial effects in the short term or during the period under review, and the company has not identified risks or opportunities for which there is a significant

risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.

Mandatum has assessed that the company's strategy and business model are resilient to coping with material impacts and risks and taking advantage of material opportunities in the short, medium and long term. Resilience is supported by, for example, the agility of the strategy and business model, systematic risk management, solvency, a diversified investment portfolio and the independence of operations from significant physical assets. Climate risks and the climate change resilience analysis, as well as the management of impacts, risks and opportunities related to the company's personnel, are described in more detail below. The resilience of the strategy and business model was assessed qualitatively in internal workshops and discussions with experts from different subject areas.

Climate change resilience analysis

In 2024, Mandatum conducted a resilience analysis to assess the climate resilience of its strategy and business model. Climate resilience refers to the company's ability to tolerate climate risks and to adapt its business model in line with the green transition. Since Mandatum's material climate risks are related to its investment assets, the resilience analysis extends to the company's investment activities and

includes both physical risks and transition risks. The resilience analysis draws on the scenario analysis described in more detail in the chapter *Description of the processes to identify and assess material impacts, risks and opportunities*.

The material climate risks in Mandatum's with-profit business area are medium-term and long-term climate transition risks related to fixed income investments. For investments related to unit-linked contracts, the material climate risks are the physical climate risks, both acute and chronic at least in the long term, and climate transition risks in the medium and long term in all asset classes.

The same time horizons have been used in the resilience analysis as in the assessment of material climate risks. Short term refers to less than one year, medium term to 5-10 years and long term to more than 10 years.

The resilience analysis indicates that Mandatum's strategy and business model have a good resilience for tolerating climate risks in the short term. In its own risk and solvency assessment, Mandatum examines a wide range of market scenarios to evaluate, for instance, changes in its solvency position in various stress scenarios. This assessment indicates that Mandatum's solvency is robust also in stress scenarios, at least in the short term.

In the company's view, its business operations are flexible and agile in the medium and long term, which enables the company to adapt to various situations, including the physical and transition events described in the climate scenarios in Mandatum's scenario analysis. The risk of locked-in greenhouse gas emissions for investments has been assessed as low and is not considered to compromise the achievement of greenhouse gas emissions reduction targets or to form a transition risk for the company. For a more detailed description of the risks associated with lock-ins, see the chapter *Transition plan for climate change mitigation*. Also, it is unlikely that individual climate events would cause material risks in terms of resilience in a diversified portfolio.

Mandatum has a group-level Responsible Investment Policy to ensure that investments fulfil certain sustainability criteria and that material sustainability matters are taken into account in the selection of investments. The policy is updated at least annually, facilitating a rapid response to any sustainability risks that may emerge in the operating environment.

Based on the aforementioned factors, Mandatum considers that its business model and strategy are resilient in terms of climate in the short, medium and long term.

Management of impacts, risks and opportunities related to personnel

All persons in Mandatum's own workforce have been assessed as one group in the double materiality assessment. The impacts, risks and opportunities identified in the materiality assessment may have an indirect impact on business and, for example, on productivity. However, no elevated risk has been identified. Business activities and work affect the personnel's ability to cope and well-being, and although the risk of coping has been identified, it has not been necessary to adapt the business model, as it is recognised to be more generally related to specialist work and the financial sector, and not to the company's way of conducting its business or strategy.

Moreover, Mandatum has not identified any business continuity risks. The material personnel-related risks may have indirect impacts on the company's business or financial result if the number of employees were to suddenly fall below the critical level in a specific function.

The negative impacts are not widespread and do not have to do with individual cases. The company does not operate in any industry or country where the aforementioned risks would be elevated. No material risks related to the use of forced labour or child labour in Mandatum's own operations were identified in the double

materiality assessment. Neither are typical for the company's operations and geographical location. Mandatum's transition plan for climate change mitigation, to be prepared during 2025, is not expected to have a substantial impact on its own personnel. The negative impacts identified by the company have not materialised, but have been identified as potential impacts.

The positive impacts arise especially in Finland, which is where the majority of Mandatum's personnel is based. However, the company observes the same operating principles in all the countries in which it operates.

DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

In the double materiality assessment, Mandatum has identified how the company's business operations affect the environment and people, and which sustainability risks and opportunities Mandatum is impacted by. The materiality assessment was carried out at the turn of the year 2023–2024, based on the draft guidelines of the European Financial Reporting Advisory Group (EFRAG). It consisted of the following steps: defining the value chain, analysis of sustainability topics, scoring of sustainability topics, stakeholder interviews and validation of results.

The material sustainability themes reported on by Mandatum in previous years were based on the materiality assessment undertaken by the Sampo Group before the partial demerger in October 2023. The double materiality assessment completed in 2024 is the first assessment independently conducted by Mandatum plc.

Defining the value chain

Mandatum's sustainability impacts, risks and opportunities were assessed in the company's value chain. The classification of operations and the value chain is described in more detail in the chapter *Strategy, business model and value chain*.

The materiality assessment considered Mandatum's entire value chain, covering the upstream value chain, the company's own operations and the downstream value chain. Assessment of the upstream value chain involved examining investments in the company's investment products and the suppliers of products and services from which the company makes procurements. The assessment of investments focused especially on industries and geographical exposures that are significant for investment operations. In insurance services, the impacts, risks and opportunities of Mandatum's insurance products and services and their respective value chains were examined. In Mandatum's own operations, the focus was on impacts,

risks and opportunities related to personnel, services provided, client processes and properties in the company's own use. The downstream value chain in the assessment consisted of the company's clients.

Analysis of sustainability topics

Once the value chain had been defined, an analysis was carried out based on the company's internal materials and external sources, in which potentially material sustainability topics listed in the ESRS at different stages of the company's value chain were considered. When mapping sustainability topics, the list of sustainability matters covered in topical ESRS in accordance with AR 16 of ESRS 1 General requirements, as well as entity-specific information that is not covered by ESRS were taken into account. The outcome of the analysis was a preliminary list of potentially material sustainability impacts, risks and opportunities.

Mandatum set up an internal working group for the materiality assessment, consisting of experts from the company's business areas and in various sustainability topics. The working group commented on the results of the analysis, and the list of potential sustainability impacts, risks and opportunities was updated based on their comments.

Scoring of sustainability topics

The sustainability impacts, risks and opportunities identified based on the preliminary analysis were scored. Impacts on people and the environment were divided into actual and potential positive and negative impacts (impact materiality), which were assigned scores based on their severity and likelihood. Scores for severity depended on the scale, scope and redeemability of the impact. The final impact materiality score was calculated by multiplying the severity of an impact with the likelihood factor, whereupon scores exceeding the thresholds for an important, significant or critical impact were defined as material.

Scores for the risks and opportunities concerning Mandatum (financial materiality) were assigned based on the magnitude and likelihood of the financial impact. The materiality score for each risk or opportunity was obtained by multiplying the magnitude of the financial impact with the likelihood factor. Risks and opportunities for which the score exceeded the threshold for important, significant or critical financial materiality were defined as material.

Mandatum's internal working group carried out the scoring of sustainability impacts, risks and opportunities as a qualitative assessment in thematic workshops. As a

result of combining impacts and financial materiality, a preliminary proposal of material sustainability topics for Mandatum was established.

The working group commented on and validated the scoring outcomes. The Risk Management function separately validated the sustainability risks identified in the assessment, and at the end of the process these were integrated into Mandatum Group's risk management system.

Stakeholder interviews

After the working group had carried out the scoring, stakeholder interviews were conducted in order to hear the views of internal and external stakeholders concerning the materiality of Mandatum's sustainability impacts, risks and opportunities. The stakeholders selected for interviews were chosen in discussions with the working group and members of Mandatum's Management Team. Nine internal and five external stakeholders were interviewed. The assessment of sustainability impacts, risks and opportunities was supplemented based on the interview findings.

Validation of results

Mandatum's internal working group confirmed the final list of material sustainability topics completed based on the stakeholder interviews in a separate

workshop. In the assessment, material risks and opportunities were identified and evaluated in the same process with actual and potential impacts. Links between impacts on the one hand and risks and opportunities on the other were considered throughout the assessment and were discussed in workshops and in the stakeholder interviews.

The results of the double materiality assessment were validated and approved by the Sustainability Committee in March 2024. The Audit Committee of the Board of Directors discussed and approved the assessment results at its meeting in May 2024.

Process development

The company's aim is to continuously develop the materiality assessment process. According to the Mandatum risk taxonomy, sustainability risks are related to other risk categories, such as market risks and strategic risks. Therefore, Mandatum is integrating the identification of sustainability risks into the identification and assessment processes for other risks. Going forward, the perspective of sustainability risks will be increasingly connected to the risk management process.

DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO SPECIFIC SUSTAINABILITY TOPICS

Climate change

Climate impacts

The assessment of climate-related impacts has taken into account the greenhouse gas emissions of Mandatum's investments and own operations. Emissions of investee companies (excluding real estate investments) have been calculated for 2022 and 2023 as part of the Statement on principal adverse impacts of investment decisions on sustainability factors (SFDR). Mandatum has reported Scope 1, 2 and 3 greenhouse gas emissions for its own operations according to the internationally applied Greenhouse Gas Protocol as part of its annual sustainability reporting since 2019. The total greenhouse gas emissions for 2024 are described in more detail in the chapter *Gross Scopes 1, 2, 3 and Total GHG emissions* and their calculation methodology in the chapter *Calculation principles*.

Climate risks

Mandatum's material climate risks are related to investment assets. The physical risks of climate change concerning investment assets refer to chronic and acute risks that arise from environmental

impacts caused by climate change, such as floods and droughts, causing damage to the assets of investee companies or hindering their operations, thereby causing financial damage that negatively affects the value of Mandatum's investments. Transition risks, on the other hand, refer to risks that arise from changes in the operational and regulatory environment and the transition towards a carbon-neutral economy. Transition risks related to investment assets can materialise when investee companies face challenges, for example, due to changing regulations, legal actions against the company, or changing customer demand, which can impact the value of Mandatum's investments.

The impact of climate risks on Mandatum's business operations varies by business area. In the with-profit business area, the impact is immediate, as Mandatum bears the risk of changes in the value of investments related to investment activities. In unit-linked insurance, however, clients bear the risk of changes in the value of investments, and for the company the impact is indirect through future premiums. In the with-profit business area, the insurance portfolio is in a run-off status, which significantly reduces the impact of climate risks in the medium and long term. The key climate risks in Mandatum's with-profit business area are medium-term and long-term transition risks in fixed income investments. Transition risks

in investments may be affected by changes in legislation, technology or consumer attitudes. On the other hand, they may manifest as reputational risks and legal risks, as the investee companies operate in a wide range of industries. For investments related to unit-linked contracts, the material climate risks are the physical climate risks, both acute and chronic at least in the long term, and climate transition risks in the medium and long term in all asset classes.

Mandatum has assessed the climate risks of investment portfolios through the sector and geographical distribution of investments as well as using the analysis of an external service provider on investments in the with-profit business area. This is a high-level assessment, and its results depend on the availability and accuracy of sector-specific and country-specific data. The assessment further drew on publicly available data on the exposure of sectors and geographical areas to climate change impacts, for the purpose of assessing physical risks and transition risks. Going forward, Mandatum aims to develop its climate risk assessment, but acknowledges the challenges of obtaining reliable and comprehensive information for assessing climate risks, and is aware that the long-term impacts of climate change on investee companies in the portfolio are partially unclear.

Scenario analysis

Mandatum's material climate risks are related to its investment portfolios, which is why the scenario analysis focuses on the analysis of investment assets. Mandatum conducted a climate risk scenario analysis in 2022 and 2023, assessing climate risks in four scenarios over a 40-year time period. The 2022 analysis was conducted on investment assets in the with-profit business area. In 2023, investments related to unit-linked contracts were added to the analysis. The four scenarios used were based on the NGFS (Network for Greening the Financial System) scenarios and were as follows:

- A steady net-zero scenario, in which a sustainable transition is achieved, and global warming will average 1.5 degrees by 2100 at a probability of 50 per cent.
- An uneven net-zero scenario, in which a sustainable transition is eventually achieved, but chaotically because of abrupt measures begun too late. In this scenario, average global warming is 1.5 degrees by 2100 at a probability of 50 per cent.
- A limited-action scenario, in which the goals of the Paris Agreement are not attained and average global warming reaches 2.8 degrees by 2100.
- A high-warming scenario, in which average global warming reaches 4.2 degrees by 2100.

The scenarios used in the analysis are consistent with the climate-related assumptions presented in Appendix 5.11 of the financial statements.

The method used to assess climate change risks in the investment portfolios combines climate science with econometric and financial modelling. The analysis considered several financial factors in the various scenarios, as well as their impacts in different countries and asset classes. The results showed the change in the value of the investment portfolio compared to the baseline in all four scenarios.

The climate scenario analysis reinforces Mandatum's view that climate risks are material risks in investment portfolios, in both the investments in the with-profit business area and the investments related to unit-linked contracts. However, interpreting the results and utilising them more broadly in business activities is challenging due to the complexity of the methodology and assumptions underlying the analysis, as well as the fact that the analysis was conducted by asset classes and sector categories without a more detailed examination of the individual investee companies. This imposes limitations on the utilisation of the results. To develop the analysis, Mandatum has identified the need for analysis at the investment object level.

Mandatum acknowledges that climate science and climate risk modelling are complicated and involve a number of methodological challenges. In the coming years, the company will strive to improve its understanding of climate risk scenario analysis and possibly expand the utilisation of scenario results in investment portfolio management. Mandatum continues to further improve its approach to ensure that climate risk exposure is presented as precisely as possible. The company will also expand its analysis to cover not only investment portfolios but also its business model and strategy as a whole, so as to better assess their climate sustainability.

Environment-related sustainability topics: pollution, water and marine resources, biodiversity and ecosystems, resource use and circular economy

Mandatum has screened its assets, business activities and site locations in order to identify actual and potential impacts, risks and opportunities related to pollution, water and marine resources, biodiversity and ecosystems, as well as resource use and circular economy in its own operations and at the upstream and downstream value chain.

These environmental topics were addressed as part of the materiality assessment, and they were considered during the value

chain mapping, analysis and scoring of sustainability topics and stakeholder interviews. No material impacts, risks or opportunities were identified related to pollution, water and marine resources or resource use and circular economy.

Actual positive and negative impacts were identified related to biodiversity and ecosystems in the upstream value chain via investments. The analysis of investments focused especially on sectors and geographical areas that are significant in investment activities, in connection to which the most typical impacts, risks and opportunities related to them were assessed. As part of the analysis of financial materiality in the materiality assessment, systemic risks related to biodiversity and ecosystems were also analysed based on the magnitude and likelihood of their financial impact. No significant dependencies, risks or opportunities related to biodiversity and ecosystems were identified. Mandatum does not have any locations situated in or near areas sensitive to biodiversity. It has also not been deemed necessary to implement significant mitigating measures related to biodiversity in the company's own operations. The consideration of biodiversity in investment activities is described in the chapter *Use of phased-in Disclosure Requirements in accordance with ESRS 1 Appendix C*.

No separate consultations were held with affected communities in relation to environmental topics, but the topics were addressed as part of the stakeholder interviews in the materiality assessment.

Business conduct

In identifying the material impacts, risks and opportunities related to business conduct, relevant criteria in terms of Mandatum's operating environment, such as location, business model and sector, have been considered. More detailed descriptions of the aforementioned factors are provided in the chapter *Strategy, business model and value chain*.

USE OF PHASED-IN DISCLOSURE REQUIREMENTS IN ACCORDANCE WITH ESRS 1 APPENDIX C

In the 2024 Sustainability Statement, Mandatum applies transitional provisions in the ESRS E4 Biodiversity and ecosystems, S2 Workers in the value chain and S4 Consumers and end-users as well as entity-specific disclosures. Brief descriptions are given below on the material sustainability matters included in the aforementioned standards and entity-specific disclosures and how they are taken into account in the company's business model and strategy, as well as the key targets, metrics, policies and actions.

In addition, Mandatum uses transitional provisions related to individual disclosure requirements in accordance with Appendix C of ESRS 1 in its 2024 Sustainability Statement in accordance with the table below.

List of applied transitional provisions in accordance with ESRS 1 Appendix C

ESRS	Disclosure requirement	Information omitted in accordance with transitional provisions
ESRS 2	SBM-1 Strategy, business model and value chain	40 b) breakdown of total revenue by significant ESRS sector and 40 c) list of additional significant ESRS sectors
ESRS 2	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	48 e) anticipated financial effects
ESRS E1	E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Information prescribed by E1-9
ESRS S1	S1-13 Training and skills development	83 b) the average number of training hours per employee and by gender
ESRS S1	S1-14 Health and safety	88 b), 88 d) and 88 e) Information related to work-related ill health

Biodiversity and ecosystems

Mandatum has identified material impacts on biodiversity and ecosystems originating from the activities of investees. In the materiality assessment, the sustainability topics identified were climate change, impacts on the state of species and impacts on the extent and condition of ecosystems. The biodiversity impacts and risks of investments have been considered in the Sustainability Strategy, in which a new goal was set in 2024 to evaluate and implement biodiversity tools and to assess direct investment products with the help of these tools. The target's metric will track the proportion of investment products for which a biodiversity assessment has been conducted as of 2025. During 2025, Mandatum will map out biodiversity tools suitable for the assessment of investment products, with criteria for the tool including science-based assessment methods. The target aims for a relative improvement compared to the base year.

In accordance with the Responsible Investment Policy, the company is dedicated to adhering to evolving industry guidelines and best practices for assessing biodiversity impacts. The company is actively engaged in seeking effective methods to assess the biodiversity impacts and dependencies of investments.

As part of the evaluation and screening of SFDR Articles 8 and 9 direct equity and fixed income investments, Mandatum assesses biodiversity impacts through international norms and standards breaches that include negative impacts to biodiversity. During 2024, no breaches of international norms and standards related to biodiversity were detected in direct equity and fixed income products under Articles 8 and 9 of the SFDR.

Fund-type alternative fixed income and fund-type real estate investments require investee fund managers to respond to an ESG questionnaire that seeks to uncover how the manager considers biodiversity issues. The questionnaire is updated annually, and managers are evaluated on how well they assess and manage biodiversity related issues in the fund's approach. According to the questionnaire conducted for fund managers of fund-type alternative fixed income investments, 81 per cent of funds consider biodiversity in their investment activities. According to the questionnaire conducted for fund managers of fund-type real estate investments, 90 per cent of indirect real estate funds take biodiversity into account in their investment activities.

In the direct real estate investment portfolios managed by Mandatum, biodiversity has been identified as a

significant area in measures aimed at responsible real estate investment. This work has been systematically advanced, and during 2025, Mandatum will define its targets for promoting biodiversity as part of active management and real estate investment, as well as define a process for assessing biodiversity risks and opportunities. Biodiversity is supported and, where possible, increased at sites. In the context of development projects and renovation projects covering outdoor areas, opportunities to improve the natural values of the property on the plot are assessed.

In 2024, Mandatum strengthened its commitment to promoting biodiversity by investing in improving the personnel's competence in issues in this field. The ESG team at Mandatum Asset Management took a course in how to consider biodiversity in investment operations and organised a training session for employees and asset managers involved in investment operations. The purpose of the training was to enhance employees' understanding of the significance of biodiversity in investment operations and to improve expertise in the subject within the organisation.

Mandatum has also launched the drafting of a biodiversity roadmap for investments. The roadmap will define targets and measures for promoting biodiversity in investment

operations, thus helping to integrate biodiversity aspects more firmly into the decision-making process.

Workers in the value chain

Potential negative impacts related to workers in the value chain concern health and safety, as well as the use of child labour and forced labour at investee companies. In accordance with the Sustainability Strategy, Mandatum aims to promote the development of ESG matters and actively react to detected misconducts. This also accounts for working conditions and work-related rights at investee companies. The target's metric is the number of ESG engagement measures. In 2024, Mandatum participated in 52 pooled engagement initiatives in 29 different investee companies. The engagement measures were related to human rights, the environment and labour rights. There were 29 active cases related to pooled engagement at the end of the year.

In accordance with the Responsible Investment Policy, as part of the evaluation and screening of direct equity and fixed income investments, Mandatum assesses factors negatively impacting workers in the value chain through global norms and standards breaches. Depending on the severity, nature and extent of the breach, portfolio management measures may consist of direct dialogue with the investee

company's executive management, an engagement action or, as a last resort, divestment if the investee company does not respond to the engagement efforts and does not take measures to prevent the misconduct or breach within a reasonable time frame.

Consumers and end-users

Information-related impacts for consumers and/or end-users

The processing of personal data plays a key role in business operations related to insurance and investment services. Clients and other stakeholders expect Mandatum to treat personal data confidentially and appropriately throughout the entire life cycle of the processing of personal data. In the materiality assessment, privacy and access to information were identified as sustainability topics related to the impacts on consumers and end-users.

Mandatum's general principles and policies concerning data protection are presented in more detail in the chapter *Policies related to own workforce*.

Personal data is business-critical information that is collected and processed only for specific and legal purposes that are vital for conducting the company's business. Mandatum strives to ensure that the privacy of its employees, clients and

other data subjects is never compromised, taking the requirements and risks involved in the processing of personal data into consideration when designing the processing. The company provides regular training on data protection for all its employees, for which the annual completion rate target is 100 per cent. Mandatum ensures that any suspected breaches are immediately investigated and corrective action taken as necessary.

Personal safety of consumers and end-users

In accordance with the Sustainability Strategy and the Code of Conduct, Mandatum strives through its business operations to improve the financial security of its clients and promote responsible HR practices of its client companies.

In the materiality assessment, health and safety was identified as a sustainability topic. New targets were set in the Sustainability Strategy in 2024 for improving financial security and promoting responsible compensation at client companies.

The target for improving financial security is a rising trend in the insurance cover for persons insured through Mandatum. The target's metric is the total risk insurance cover. Mandatum's personal risk insurance services provide financial security in case of

serious illness, disability or death. Personal risk insurance underwriting is based on the internal Underwriting Policy approved by the Board of Directors of Mandatum Life Insurance Company Ltd. The purpose of the policy is to ensure that insurance risks are proportionate to the company's insurance premiums and that clients are always treated fairly.

Mandatum's Sustainable Insurance Policy describes how the company takes ESG factors into account in the various functions of its insurance value chain. The policy covers the sustainable insurance approach in the company's strategy, risk management and underwriting, product and service development, claims handling, sales and marketing and investment activities. It also describes how Mandatum cooperates with clients, partners, governments, regulators and other key stakeholders to promote aspects related to sustainable insurance. 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. Mandatum's Sustainable Insurance Policy is based on the UN Principles for Sustainable Insurance, to which the company committed in December 2023. The policy is updated annually and approved by the Board of

Directors of Mandatum Life Insurance Company Ltd.

Another target of the Sustainability Strategy is a rising trend in commissions promoting responsible compensation, and the number of such commissions is monitored as a metric. Mandatum supports its corporate clients in planning total compensation in a way that is fair, efficient and sustainable, as well as supports the implementation of the company's strategy and the achievement of its financial targets. Sustainable compensation means that reward and compensation schemes are well designed, support the implementation of the organisation's strategy and values, non-discriminatory and openly communicated to all employees.

In the field of variable compensation, Mandatum designs and implements short and long-term incentive schemes incorporating sustainability metrics for its corporate clients, as well as offers related annual consulting services. Incentive schemes often include sustainability metrics that are important to the company, and employees are rewarded for achieving sustainability targets.

Reward solutions offered by Mandatum to its corporate clients include pension and personal insurance targeted at the entire personnel of the client company, as well as

personnel funds. Personnel funds set up by Mandatum enable long-term investments for the personnel of client companies and improve the financial security of the personnel.

Social inclusion of consumers and/or end-users

In the materiality assessment, non-discrimination, access to products and services and responsible marketing practices were identified as sustainability topics related to social inclusion of consumers and/or end users. In accordance with its Code of Conduct and the company's internal guidelines, Mandatum is committed to providing clients with transparent, easily available and understandable information on the costs, risks and terms of its products or services and, where applicable, the reasons behind an insurance decision. Sales, marketing and product information must be professional, comprehensive, accurate and unbiased and the information must not be misleading. The company strives to ensure that the scope of the service being provided meets the client's needs.

Mandatum has a strong focus on responsible sales practices and ensures that its employees have sufficient knowledge of the products and services offered to clients. Employees receive training on compliance, anti-money laundering in the insurance

business, data protection and information security and client due diligence, among other themes. In addition, regular product training is organised for employees, the aim of which is to ensure competence and the ability to communicate about products in a clear and understandable way. The aim of sales and marketing practices is to ensure that the client understands the benefits and potential risks of the service. Mandatum also invests in accessibility and in ensuring that the service offering is available in plain language so that all clients understand the terms and details of contracts.

Mandatum is committed to fair and efficient claims handling and to ensuring that it is easy for clients to give feedback on products and services and appeal insurance claim decisions. In addition, the company ensures that client complaints and appeals are processed appropriately, including the necessary corrective and development measures.

Clients' experience on products and services is tracked using the Net Promoter Score (NPS), which is also one of the metrics of the Sustainability Strategy. NPS is also linked to the remuneration of personnel and management.

Entity-specific disclosures

Cyber security

Mandatum's information and cyber security operations are based on the Code of Conduct, Information Security Policy and Information Management Policy. The Information Management Policy is supplemented by the information management principles, which define in more detail the processing rules based on the category of the information. In addition to Mandatum's own personnel, the requirements in the policies apply to service providers and other external stakeholders and are included in the relevant agreements. The frameworks and other key documentation are reviewed by document owners on a regular basis and in connection with significant changes.

Mandatum's first and second lines of defence have their own information security organisations. The Business Technology unit is responsible for operational information security work, including designing and implementing technical and administrative measures related to information and cyber security based on the policies and principles. The strategic development of information security and risk monitoring are handled centrally by the Risk Management function under the direction of the Group CISO (Chief Information Security Officer).

Mandatum's information security is continuously developed in accordance with the strategy approved by the Group Management Team, in order to ensure that information security meets the expectations of clients and authorities and responds to the changing threat environment. The level of information and cyber security is actively assessed, and processes and systems are tested regularly. Information security and cyber risks are also actively monitored using various metrics and reported quarterly to the Information Security and Cyber Risks Committee. In addition, the Group CISO reports regularly on the state and risks of information and cyber security to the Risk Management Committee and the Audit Committee.

The information security awareness and competence of employees is ensured through regular and, if necessary, targeted training and instructions. Employees are required to complete an online course on information security annually, and the completion rate is monitored regularly. In addition to online training, teams and units are offered customised training if necessary. In addition, all employees are trained to identify various fraud attempts with the help of simulations.

In the Sustainability Strategy, the target for the completion rate of information security training for personnel is 100 per cent. At the

end of 2024, the completion rate was 100 per cent. No information or cyber security incidents were referred to the company's Crisis Management Team, and no significant information security incidents were reported to the Board of Directors or the authorities during 2024.

Taxes

Mandatum's Group-wide tax principles are described in the Code of Conduct. In accordance with the Code of Conduct, the company is committed to acting in compliance with valid and applicable tax legislation and does not seek to take measures that are intended, instead of business targets, to attain tax benefits in breach of the objectives of the law. The company is also committed to not artificially transferring the generated wealth to low-tax countries. Mandatum reports its taxable income annually to the tax authority and strives to pay its taxes in a timely manner and in the correct amount. The company monitors the development of and amendments to international tax regulation, as well as the development of standards and recommendations related to tax sustainability reporting.

Mandatum is among Finland's largest taxpayers. In 2024, Mandatum pays a total of approximately EUR 46 million in corporate tax in Finland.

EU TAXONOMY

According to the basic principle of the EU taxonomy, economic activities must make a substantial contribution to at least one of the six climate and environmental objectives defined by the EU taxonomy in order to be classified as environmentally sustainable. At the same time, economic activities must not do significant harm to other environmental objectives. The activities must also comply with minimum social safeguards.

The EU Taxonomy Regulation (2020/852) was adopted in summer 2020, mandating the Commission to prepare detailed criteria for the taxonomy. The Taxonomy Regulation and the criteria for climate change mitigation and climate change adaptation entered into force in January 2022. The taxonomy was further supplemented with respect to nuclear and gas activities in 2022, and the Delegated Regulation on the criteria for the four remaining environmental objectives was adopted in 2023. The criteria entered into force for nuclear and gas activities at the beginning of 2023 and for the four remaining environmental objectives at the beginning of 2024.

TAXONOMY REPORTING AT THE MANDATUM GROUP

The taxonomy reporting requirement is based on the Corporate Sustainability Reporting Directive (CSRD, EU 2022/2464). Sector-specific reporting requirements are defined in the Delegated Regulation (EU 2021/2178) supplementing the Taxonomy Regulation. Mandatum reports on key performance indicators for asset managers, investment firms and insurance and reinsurance companies. For KPIs related to insurance companies, only KPIs related to investments are applied to life insurance companies, which is why Mandatum only reports investment data for the life insurance company.

Taxonomy reporting is based on investment position data as per the end of 2024 and on the fees charged under the KPIs of investment firms during 2024. Taxonomy data for investments were primarily obtained from an external service provider. The taxonomy alignment KPIs used are based directly on taxonomy reporting by investee companies, and no estimates were used in the reporting. Mandatum assesses the eligibility of direct real estate investments under the taxonomy.

Deficiencies in the data availability set limitations for taxonomy reporting. The number of companies reporting non-financial information (NFRD) in the

taxonomy data was low, which significantly limits the investees for which taxonomy figures could be calculated. In addition, reported taxonomy data for capital expenditure were not available, thus taxonomy-alignment data for capital expenditure could not be reported. Due to these limitations, the tables on the following pages include metrics that are reported as zero, including percentages in the metrics.

As the data of the primary taxonomy data provider does not include the data of the performance indicators for nuclear power and fossil gas, a different data source had to be used for the reporting of these performance indicators than for other taxonomy reporting. Due to differences in data sources, some of the performance indicators for nuclear power and fossil gas could not be reported. These items have been reported as lines in the tables for nuclear power and fossil gas. These deficiencies are particularly evident in the tables on nuclear and fossil gas for capital expenditure. In the absence of a divisor, it has not been possible to calculate all percentages in these situations. There are deficiencies in the information provided by asset managers, investment firms and insurance and reinsurance undertakings.

KEY PERFORMANCE INDICATORS OF ASSET MANAGERS

KPIs of asset managers are reported in accordance with Annexes III and IV of the Delegated Regulation on information to be disclosed pursuant to the Taxonomy Regulation. Mandatum's reporting covers the funds of Mandatum Fund Management S.A. and Mandatum AM AIFM Ltd.

The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below: Turnover-based: 1.3% CapEx-based: 0.0%	The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below: Turnover-based: 39.9 (EUR million) CapEx-based: 0.0 (EUR million)
The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities Coverage ratio: 99.4%	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. Coverage: 3,027.2 (EUR million)

Additional, complementary disclosures: breakdown of denominator of the KPI	
The percentage of derivatives relative to total assets covered by the KPI: -2%	The value in monetary amounts of derivatives:. -59.3 (EUR million)
The proportion of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/ 34/EU over total assets covered by the KPI: For non-financial undertakings: 32.0% For financial undertakings: 10.1%	Value of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU: For non-financial undertakings: For non-financial undertakings: 969.7 (EUR million) For financial undertakings: 305.7 (EUR million)
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 19.8% For financial undertakings: 10.1%	Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU: For non-financial undertakings: 599.9 (EUR million) For financial undertakings: 305.7 (EUR million)
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 27.3% For financial undertakings: 15.4%	Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU: For non-financial undertakings: For non-financial undertakings: 825.9 (EUR million) For financial undertakings: 465.8 (EUR million)
The proportion of exposures to other counterparties and assets over total assets covered by the KPI: 17.2%	Value of exposures to other counterparties and assets: 519.4 (EUR million)
The value of all the investments that are funding economic activities that are not taxonomy-eligible relative to the value of total assets covered by the KPI: 74.8%	Value of all the investments that are funding economic activities that are not taxonomy-eligible: 2,263.8 (EUR million)
The value of all the investments that are funding taxonomy-eligible economic activities, but not taxonomy-aligned relative to the value of total assets covered by the KPI: 23.9%	Value of all the investments that are funding Taxonomy-eligible economic activities, but not taxonomy-aligned: 723.6 (EUR million)

Additional, complementary disclosures: breakdown of numerator of the KPI	
The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:	Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:
<u>For non-financial undertakings:</u>	
Turnover-based: 1.1%	Turnover-based: 33.5 (EUR million)
CapEx-based: 0.0%	CapEx-based: 0.0 (EUR million)
<u>For financial undertakings:</u>	
Turnover-based: 0.2%	Turnover-based: 6.4 (EUR million)
CapEx-based: 0.0%	CapEx-based: 0.0 (EUR million)
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	Value of Taxonomy-aligned exposures to other counterparties and assets:
Turnover-based: 0.0%	Turnover-based: 0.0 (EUR million)
CapEx-based: 0.0%	CapEx-based: 0.0 (EUR million)

	Breakdown of the numerator of the KPI per environmental objective	
	Taxonomy-aligned activities:	
Climate Change Mitigation	Turnover 0.5%	Capex 0.0%
	Transitional Activities Turnover 0.0%	Transitional Activities Capex 0.0%
	Enabling Activities Turnover 0.0%	Enabling Activities Capex 0.0%
Climate change adaptation	Turnover 0.0%	Capex 0.0%
	Enabling Activities Turnover 0.0%	Enabling Activities Capex 0.0%
The sustainable use and protection of water and marine resources	Turnover 0.0%	Capex 0.0%
	Enabling Activities Turnover 0.0%	Enabling Activities Capex 0.0%
The transition to a circular economy	Turnover 0.1%	Capex 0.0%
	Enabling Activities Turnover 0.0%	Enabling Activities Capex 0.0%
Pollution prevention and control	Turnover 0.2%	Capex 0.0%
	Enabling Activities Turnover 0.0%	Enabling Activities Capex 0.0%
The protection and restoration of biodiversity and ecosystems	Turnover 0.0%	Capex 0.0%
	Enabling Activities Turnover 0.0%	Enabling Activities Capex 0.0%

Row Nuclear energy related activities

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes

Fossil gas related activities

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Taxonomy-aligned economic activities (denominator) - turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0	0%	0	0%		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	15	0%	14	0%	0	0
8	Total applicable KPI	3,027	100%	3,027	100%	3,027	100%

Taxonomy-aligned economic activities (denominator) - capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0%	1	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	-	-	-	-	-	-
8	Total applicable KPI	3,027	100%	3,027	100%	3,027	100%

Taxonomy-aligned economic activities (numerator) - turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0	0%	0	0%		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	15	100%	14	100%	0	100%
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	15	100%	14	100%	0	100%

Taxonomy-aligned economic activities (numerator) - capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0	-	0	-	0	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	2	-	2	-	0	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	-	-	-	-	-	-
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	-	-	-	-	-	-

Taxonomy-eligible but not taxonomy-aligned economic activities - turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0%	1	0%		
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	723	100%	723	100%	724	100%
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	724	100%	724	100%	724	100%

Taxonomy-eligible but not taxonomy-aligned economic activities - capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	-	-	-	-	-	-
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	-	-	-	-	-	-

Taxonomy non-eligible economic activities - turnover

Row	Economic activities	Amount EUR million	Percent age
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	2,264	100%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	2,264	100%

Taxonomy non-eligible economic activities - capex

Row	Economic activities	Amount EUR million	Percent age
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	2,264	100%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	2,264	100%

KEY PERFORMANCE INDICATORS OF INVESTMENT FIRMS

KPIs of investment firms are reported in accordance with Annexes VII and VIII of the Delegated Regulation on information to be disclosed pursuant to the Taxonomy Regulation. Mandatum's reporting covers the portfolio management of the large mandate clients of Mandatum Asset Management Ltd and the joint product of Mandatum Asset Management and Universal-Investment-Luxembourg S.A., Mandatum Global Investment Fund SCSp SICAV-RAIF - UI-Mandatum AM Senior Secured Loan Fund, for which the portfolio is managed by Mandatum Asset Management. The funds covered in the reporting are invested on behalf of clients. The fees are related to asset management.

Summary of KPIs to be disclosed by investment firms under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets (EUR million)	KPI (3)	KPI (4)	% coverage (over total assets) (2)
Main KPI (for dealing on own account)	Green Asset Ratio	0.1	0.0%	0.0%	100.0%
		Total revenue from environmentally sustainable services and activities (EUR million)	KPI	KPI	% coverage (over total revenue)
Main KPI (for services and activities other than dealing on own account)	KPI on Revenue (1)	0.0	0.0%	0.0%	100.0%

- (1) Fees, commissions and other monetary benefits.
 (2) % of assets covered by the KPI over total assets.
 (3) Based on the Turnover KPI of the counterparty.
 (4) Based on the CapEx KPI of the counterparty

KPI IF - Dealing on own account services

	Total (Million EUR)	Of which covered by the KPI (Million EUR)	Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and maritime resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		Total (CCM + CCA + WTR + CE + PPC + BIO)								
			Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)		Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)		Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)		Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)		Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)		Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)		Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)								
			Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)		Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)		Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)		Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)		Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)		Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)		Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)								
			Of which transitional (%)	Of which enabling (%)	Of which enabling (%)	Of which enabling (%)	Of which enabling (%)	Of which enabling (%)	Of which enabling (%)	Of which enabling (%)	Of which transitional (%)	Of which enabling (%)											
Total assets invested under investment firms' activities dealing on own account (as per Section A of Annex I to directive 2014/65/EU)	2,109.7	2,109.3	3.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.3%	0.0%	0.0%	0.0%
Of which: on own behalf	0.0	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Of which: on behalf of clients	2,109.7	2,109.3	3.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.3%	0.0%	0.0%	0.0%

Row Nuclear energy related activities

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes

Fossil gas related activities

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Taxonomy-aligned economic activities (denominator) - turnover
Amount and proportion

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0	0%	0	0%		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0%	0	0%	0	0
8	Total applicable KPI	2,109	100%	2,109	100%	2,109	100%

Taxonomy-aligned economic activities (denominator) - turnover
Amount and proportion

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	-	-	-	-	-	-
8	Total applicable KPI	2,109	100%	2,109	100%	2,109	100%

Taxonomy-aligned economic activities (numerator) - turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0	0%	0	0%		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%		
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	0	100%	0	100%	0	0
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	0	100%	0	100%	0	100%

Taxonomy-aligned economic activities (numerator) - turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0	-	0	-	0	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	-	1	-	0	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	-	-	-	-	-	-
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	-	-	-	-	-	-

Taxonomy-eligible but not taxonomy-aligned economic activities - turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	67	100%	67	100%	67	100%
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	67	100%	67	100%	67	100%

Taxonomy-eligible but not taxonomy-aligned economic activities - capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	-	-	-	-	-	-
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	-	-	-	-	-	-

Taxonomy non-eligible economic activities - turnover

Row	Economic activities	Amount EUR million	Perce- ntage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	2,033	100%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	2,033	100%

Taxonomy non-eligible economic activities - capex

Row	Economic activities	Amount EUR million	Perce- ntage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	2,033	100%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	2,033	100%

KEY PERFORMANCE INDICATORS OF INSURANCE AND REINSURANCE UNDERTAKINGS

KPIs for insurance and reinsurance undertakings are reported in accordance with Annexes IX and X of the Delegated Regulation on information to be disclosed pursuant to the Taxonomy Regulation. In accordance with the KPIs for life insurance undertakings, Mandatum only reports information on investments.

Mandatum's reporting covers investments related to Mandatum's with-profit and capital light business. Excluded from this reporting are the investments in funds managed by Mandatum, which are instead reported under KPIs of asset managers, and investments in the Mandatum Global Investment Fund SCSp SICAV-RAIF - UI-Mandatum AM Senior Secured Loan Fund, which are reported under KPIs of investment firms.

The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

		%	EUR million	
The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:			The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based:		0.9%	Turnover-based:	122.4
Capital expenditures-based:		0.0%	Capital expenditures-based:	0.0
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.			The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio:		95.3%	Coverage:	12,942.9
Additional, complementary disclosures: breakdown of denominator of the KPI				
The percentage of derivatives relative to total assets covered by the KPI.		0.2%	The value in monetary amounts of derivatives.	
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:			Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:		29.0%	For non-financial undertakings:	3,753.9
For financial undertakings:		8.6%	For financial undertakings:	1,111.1

The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	27.7%	For non-financial undertakings:	3,582.3
For financial undertakings:	8.0%	For financial undertakings:	1,033.3

The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	13.7%	For non-financial undertakings:	1,767.5
For financial undertakings:	8.1%	For financial undertakings:	1,042.4

The proportion of exposures to other counterparties and assets over total assets covered by the KPI:	40.5%	Value of exposures to other counterparties and assets:	5,248.0
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The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	24.0%	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	3,110.3
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The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI:	93.5%	Value of all the investments that are funding economic activities that are not Taxonomy-eligible:	12,105.2
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The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI:	5.5%	Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned:	715.3
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Additional, complementary disclosures: breakdown of numerator of the KPI

"The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:

Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:

For non-financial undertakings:		For non-financial undertakings:	
Turnover-based:	0.8%	Turnover-based:	104.6
Capital expenditures-based:	0.0%	Capital expenditures-based:	0.0
For financial undertakings:		For financial undertakings:	
Turnover-based:	0.1%	Turnover-based:	17.8
Capital expenditures-based:	0.0%	Capital expenditures-based:	0.0

The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:

Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:

Turnover-based:	0.3%	Turnover-based:	34.3
Capital expenditures-based:	0.0%	Capital expenditures-based:	0.0

The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:

Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:

Turnover-based:	0.0%	Turnover-based:	5.6
Capital expenditures-based:	0.0%	Capital expenditures-based:	0.0

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities - provided 'do-not-significant-harm'(DNSH) and social safeguards positive assessment:

(1) Climate change mitigation	Turnover:	0.2%	Transitional activities (Turnover):	0.0%
			Enabling activities (Turnover):	0.0%
	CapEx:	0.0%	Transitional activities (CapEx):	0.0%
			Enabling activities (CapEx):	0.0%
(2) Climate change adaptation	Turnover:	0.0%	Enabling activities (Turnover):	0.0%
	CapEx:	0.0%	Enabling activities (CapEx):	0.0%
(3) The sustainable use and protection of water and marine resources	Turnover:	0.0%	Enabling activities (Turnover):	0.0%
	CapEx:	0.0%	Enabling activities (CapEx):	0.0%
(4) The transition to a circular economy	Turnover:	0.0%	Enabling activities (Turnover):	0.0%
	CapEx:	0.0%	Enabling activities (CapEx):	0.0%
(5) Pollution prevention and control	Turnover:	0.1%	Enabling activities (Turnover):	0.0%
	CapEx:	0.0%	Enabling activities (CapEx):	0.0%
(6) The protection and restoration of biodiversity and ecosystems	Turnover:	0.0%	Enabling activities (Turnover):	0.0%
	CapEx:	0.0%	Enabling activities (CapEx):	0.0%

Row Nuclear energy related activities

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Taxonomy-aligned economic activities (denominator) - turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0	0%	0	0%		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	25	0%	25	0%	0	0
8	Total applicable KPI	12,943	100%	12,943	100%	12,943	100%

Taxonomy-aligned economic activities (denominator) - capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2	0%	2	0%	0	0%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	-	-	-	-	-	-
8	Total applicable KPI	12,943	100%	12,943	100%	12,943	100%

Taxonomy-aligned economic activities (numerator) - turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0%	0	0.0%		
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0	0.0%	0	0.0%		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	0.04%	1	4%		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0%	0	0.0%		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0%	0	0.0%		
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	4%	1	4%		
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	23	92%	23	92%	0	100%
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	25	100%	25	100%	0	100%

Taxonomy-aligned economic activities (numerator) - capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0	-	0	-	0	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	4	-	4	-	0	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	-	0	-	0	-
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	-	-	-	-	-	-
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	-	-	-	-	-	-

Taxonomy-eligible but not taxonomy-aligned economic activities - turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3	0%	3	0%		
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0%	1	0%		
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%		
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	711	99%	711	99%	715	100%
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	715	100%	715	100%	715	100%

Taxonomy-eligible but not taxonomy-aligned economic activities - capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount EUR million	%	Amount EUR million	%	Amount EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	-	1	-	0	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	-	0	-	0	-
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	-	-	-	-	-	-
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	-	-	-	-	-	-

Taxonomy non-eligible economic activities - turnover

Row	Economic activities	Amount EUR million	Perce- ntage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	12,104	100%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	12,105	100%

Taxonomy non-eligible economic activities - capex

Row	Economic activities	Amount EUR million	Perce- ntage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	12,105	100%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	12,105	100%

CLIMATE CHANGE

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

In accordance with the current science on the impacts of climate change, Mandatum recognises that the transition towards global net zero emissions must be expedited. Investors play a key role in attaining the goals of the Paris Agreement and in ensuring a fair and equitable transition.

In order to promote efforts in climate change mitigation and adaptation, Mandatum set targets in its updated Sustainability Strategy in 2024 to reduce its greenhouse gas emissions from investments and own operations to net zero by 2050 at the latest. The targets are in line with the Paris Agreement, the purpose of which is to limit global warming to 1.5 degrees Celsius compared with the pre-industrial era. In connection with setting the net-zero target for investments, Mandatum joined the Net Zero Asset Managers initiative (NZAM). NZAM is an international alliance for asset managers committed to net-zero emissions in their portfolios by 2050. The initiative aims to promote sustainable investment and to address climate change challenges by reinforcing responsible investment.

Setting the actual emission reduction targets in the company's investment and

own operations is currently in progress. The first medium-term targets are to be set during 2025. These efforts will be continued step by step in investment operations until the entire investment portfolio is covered by emission reduction targets. Target-setting will be carried out using science-based methods commonly used on the market that are aligned with the 1.5 degree goal of the Paris Agreement.

To support the net-zero target for investments, Mandatum aims to encourage investee companies to set emissions reduction targets in accordance with its Sustainability Strategy. In addition, the aim is that new investment products and the development of existing products support the achievement of net-zero emissions by 2050. Mandatum's Sustainability Strategy is presented in more detail in the chapter *Strategy, business model and value chain*.

The Responsible Investment Policy includes the target to phase out coal and oil from direct equity and fixed income investments by 2030 and by 2040, respectively. The exclusion limits for coal and oil as defined in the Responsible Investment Policy are tightened over time until the policy aligns with these targets.

Key measures for reducing emissions in investments include engaging with investee companies and including climate

considerations in investment decisions and asset management. Mandatum will continue to report on the carbon footprint of its direct equity and fixed income investments and reduce the carbon-intensity of investments over time. The carbon footprint of investment products is defined annually and monitored separately for each investment basket or fund and other assets. In the company's own operations, emissions reductions are sought, for instance, related to resource use at offices, business travel and procurements. Trends in greenhouse gas emissions are monitored through annual reporting. The central climate actions from the year under review are described in more detail in the chapter *Actions and resources in relation to climate change policies*.

The net-zero commitments for investments and own operations made in 2024 and the work begun towards emission reduction targets, along with the exclusion of coal and oil in direct equity and fixed income investments, are key components in the preparation of Mandatum's transition plan for climate change mitigation. The purpose of the transition plan is to ensure that the company's strategy and business model are compatible with the transition to a sustainable economy and the Paris Agreement. Once completed, the transition plan will be approved by the appropriate administrative, management and

supervisory bodies in 2025. Since the transition plan has not yet been approved, it has not yet been embedded in or aligned with the company's overall business strategy and financial planning.

Locked-in GHG emissions

Locked-in GHG emissions refer to future greenhouse gas emissions that are caused as a result of decisions already made, particularly in the case of long-term investments that cannot necessarily be quickly divested. In Mandatum's investments, there is a potential risk of locked-in GHG emissions in illiquid assets such as private equity and private debt investments and European real estate investments. The duration of these investment commitments varies between 5 and 10 years. However, in Mandatum's view, the risk of lock-ins is not so great that it could compromise the attainment of greenhouse gas emission reduction targets or cause a transition risk.

Taxonomy-aligned activities and objectives and plans to increase taxonomy alignment

Due to the nature of its sector and business, the Mandatum Group does not have any material taxonomy-aligned activities in relation to its own operations, and therefore no objectives or plans have been made to adapt these activities to meet the criteria set out in the Commission

Delegated Regulation (EU) 2021/2039. Taxonomy alignment is of the highest relevance in the investments of Mandatum Life Insurance Company Ltd. There are no objectives or plans with respect to the volume or growth of taxonomy-aligned investments.

Mandatum has not been excluded from the EU Paris-aligned Benchmarks.

POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTION

At Mandatum, policies for climate change mitigation and adaptation are determined by the Strategy, the supplementary Sustainability Strategy and the company policies. The most important operating principles and policies related to the material impacts, risks and opportunities of climate change mitigation and adaptation are the Responsible Investment Policy, the Code of Conduct, the Risk Management Policy and the Engagement Principles. These policies and principles contain descriptions of their scope and of the responsibilities related to their approval.

Material climate-related impacts, risks and opportunities are particularly relevant in investment operations, and thus the key operating principles relating to them are covered in the Responsible Investment Policy. It describes the operating principles

and guidelines for responsible investment for Mandatum plc and its subsidiaries Mandatum Asset Management Ltd, Mandatum AM AIFM Ltd, Mandatum Fund Management S.A. and Mandatum Life Insurance Company Ltd. The Responsible Investment Policy is binding on Mandatum employees and is approved annually by the Boards of Directors of the Group companies. The Management Teams of the Group companies are responsible for implementing the policy in each of the Mandatum Group's companies.

The objective of the Responsible Investment Policy is to guide the day-to-day operations of portfolio managers and persons involved in investment activities in taking sustainability risks and matters into account. The Responsible Investment Policy describes the minimum level of measures in addressing sustainability risks and mitigating adverse sustainability impacts.

The Responsible Investment Policy covers the operating principles for climate change mitigation and adaptation and, in the case of real estate investments, for energy efficiency. Stricter rules and engagement procedures may be applied to specific products or portfolios. The Responsible Investment Policy is publicly available on Mandatum's website.

Contributing to initiatives promoting responsible investment is linked in many ways to Mandatum's efforts to manage climate-related impacts, risks and opportunities. A significant step in this respect was taken when Mandatum Asset Management Ltd joined the United Nations Principles for Responsible Investment (UN PRI) in 2011. Commitment to the UN PRI requires investors to incorporate ESG issues into their investment process, exercise active ownership and promote the principles of responsible investment. Implementation is regularly assessed. Mandatum Asset Management achieved good results in the most recent assessment evaluating the year 2023 and was awarded a full five-star rating in most of the evaluated areas.¹

In addition to UN PRI, Mandatum Asset Management has joined a number of organisations and initiatives whose work involve promoting responsible investment, sustainable development and adapting investment operations to comply with the Paris Agreement and climate-neutrality by 2050. Simultaneously, the company promotes the management of climate-related impacts, risks and opportunities. Mandatum Asset Management Ltd is a member of the Finnish Responsible Investment Forum (FINSIF). Also, Mandatum Life Insurance Company Ltd and Mandatum Asset Management Ltd are

members of the Finnish Venture Capital Association, and Mandatum Asset Management Ltd and Mandatum AM AIFM Ltd are members of the Global Real Estate Sustainability Benchmark (GRESB).

The principles for climate change mitigation in Mandatum's own operations are outlined in the Code of Conduct. In accordance with the Code of Conduct, Mandatum aims to monitor and improve its activities impacting the environment and climate, by, among other things, reducing the greenhouse gas emissions and consumption of natural resources caused by its activities, increasing the personnel's and stakeholders' understanding of environmental and climate issues and collaborating with them on environmental and climate issues. In keeping with the Code of Conduct, Mandatum has committed to the UN Global Compact and its environmental principles. The Code of Conduct is publicly available on Mandatum's website, and the company communicates on its climate and environmental targets and actions to all stakeholders in its annual sustainability reporting.

1) [PRI assessment report](#) and [PRI public transparency report](#) .

ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

Climate actions

Investment operations

In its climate actions in investment operations, Mandatum adheres to measures outlined in the Responsible Investment Policy, which have also been carried out during 2024. In accordance with the Responsible Investment Policy, Mandatum has incorporated sustainability analysis into its investment processes and monitors all companies in its portfolios from a sustainability perspective in all markets in which the company invests. The implementation of the sustainability analysis varies by asset class as described in Mandatum's Responsible Investment Policy. Efficient management of climate risks forms an important part of investment operations. Responsible investment practices at Mandatum include integrating sustainability analysis in the investment process, active ownership and engagement, norm-based screening and exclusion.

Mandatum carefully assesses investment opportunities based on climate-related criteria. In addition to excluding certain sectors, Mandatum seeks to identify companies that offer technical innovations for climate change mitigation, for example. The aim is to reduce exposure to the fossil

Exclusion in sensitive industries

Industry/Product group	Percentage of sales		Description
	Direct business	Indirect business	
Zero tolerance	Direct business	Indirect business	
Controversial weapons	0%	0%	Investments are not made in companies that derive revenue from manufacturing, subcontracting or distribution of controversial weapons. Controversial weapons are, for example, biological, chemical, nuclear and cluster weapons.
Low tolerance	Direct business	Indirect business	
Coal	5%	30%	Investments are not made in companies that derive over 5% of revenue from mining of coal or whose share of revenue from coal mining subcontracting or distribution of coal exceeds 30%. Investments are not made in companies whose share of revenues from coal-based energy production exceeds 30%. Exemptions may be granted to companies that present a credible transition plan ¹ .
Tobacco	0%	50%	Investments are not made in companies that derive revenue from manufacturing of tobacco products or derive more than 50% of revenue from subcontracting or distribution of tobacco products.
Adult entertainment	0%	50%	Investments are not made in companies that derive revenue from production of adult entertainment or that derive more than 50% of revenue from adult entertainment industry subcontracting or distribution.
Gambling	50%	50%	Investments are not made in companies that derive more than 50% of revenue from gambling or gambling subcontracting.
Military equipment	50%	50%	Investments are not made in companies that derive more than 50% of revenue from manufacturing, subcontracting or distribution of military equipment.
Oil	40%	40%	Investments are not made in companies that derive more than 40% of revenue from direct business to the fossil oil industry, including exploration, extraction and production of fossil oil. Investments are not made in companies that derive more than 40% of revenue from indirect business to the fossil oil industry, including distribution, refining and processing of fossil oil or production of fossil oil-based energy. Exemptions may be granted to companies that present a credible transition plan ¹ .

Limits set on direct equity (incl. direct private equity investments) and fixed income as a share of sales by industry/product group, in accordance with the Responsible Investment Policy approved in December 2024. The limits are applied to equity and fixed income investment products that are determined to promote environmental or social characteristics or to be sustainable investments, but they serve as guidelines in other asset classes as well.

1) Exemptions may be granted to companies that present a credible transition plan, evaluated against an internal set of criteria.

fuel industry while investing in companies that produce energy from renewable sources or have a clear and credible strategy to transition from fossil fuels to a more sustainable business model. The company monitors the progress of the transition plans and goals of the companies in which it invests. When making direct investments in energy companies, the goal is to invest in companies that have a clear and credible strategy for transitioning from fossil fuels to a sustainable business model.

Exclusions are a key tool specifically for avoiding investing in activities that are harmful for the climate and the environment. Mandatum has set exclusion criteria for oil and coal related business. The exclusion limits are shown in the table on the previous page. A more detailed description of the industries can be found in Mandatum's Responsible Investment Policy. In addition to the aforementioned sensitive industries, screening is also carried out for other fossil fuels (e.g. natural gas). By screening investments in fossil fuels, Mandatum is able to enhance monitoring and reporting and manage the risks associated with fossil fuels. Such risks include reputational risks and regulatory and environmental (including climate change) risks. In addition, the fossil fuel industry, especially natural gas, plays a pivotal role in the transition to a low-carbon economy. New investments in fossil fuels

are made with caution, and exposure to the industry in the portfolio is closely monitored.

Own operations

To support the environmental and climate principles in the Code of Conduct, all Mandatum's offices follow the 'Have a Green Day' programme, which encourages employees to, among other things, favour public transport or cycle or walk to work, recycle, reduce their consumption of electricity and paper, reduce the amount of waste produced, eat more plant-based food and avoid food waste.

Mandatum's head office in Helsinki has been awarded the BREEAM® certificate (Good) for its environmental performance. In 2024, actions related to making the property more environmentally friendly included the launch of carbon dioxide and temperature measurement at workstations and in conference rooms, as well as outlining ways to conserve water. Mandatum's head office and the majority of other offices used renewable electricity.

Since 2022, the company has offered company bicycles as a personnel benefit, and since 2023, provided employer-subsidised commuter tickets for employees who use public transport.

The company monitors the impacts and changes of its activities on greenhouse gas emissions through annual emissions calculations. Greenhouse gas emissions are presented in the chapter *Gross Scopes 1, 2, 3 and Total GHG emissions*.

Resources related to climate actions

The resources related to climate actions are integrated into the operations of the units working on the topic at Mandatum. No significant additional investments were allocated to climate actions during the reporting period. The company's ability to implement climate actions is not dependent on the availability or allocation of resources.

Key future actions and resources for reducing emissions and promoting the net-zero target will be developed as part of the company's transition plan for climate change mitigation during 2025.

TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

In its Sustainability Strategy, Mandatum is committed to reducing greenhouse gas emissions from both investments and its own operations to net zero by 2050 at the latest. Setting the actual emission reduction targets is in progress, and the first medium-term targets will be set during 2025. Setting emission reduction targets is part of the preparatory work for Mandatum's transition plan for climate change mitigation, which is described in more detail in the chapter *Transition plan for climate change mitigation*.

In accordance with the Responsible Investment Policy, the company's target since 2022 has been to phase out coal by 2030 and oil by 2040 in direct equity and fixed income investments. The exclusion limits for coal and oil as defined by the Responsible Investment Policy have been tightened and will continue to be tightened over time until the policy is aligned with these targets. Compliance with the exclusion limits is monitored regularly. The targets are in line with the objectives of the Paris Agreement. Mandatum has not involved its stakeholders in setting climate-related targets.

GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

Mandatum's greenhouse gas emissions have been calculated and reported according to the Greenhouse Gas Protocol (GHG Protocol). According to the GHG Protocol, emissions are divided into direct and indirect emissions. Direct and indirect emissions are further divided into three categories: Scope 1 (direct emissions), Scope 2 (indirect emissions) and Scope 3 (other indirect emissions).

The emissions reported by Mandatum are divided as follows:

- Scope 1: the fuel used in company vehicles (leased cars)
- Scope 2: electricity and heat consumption at company offices
- Scope 3: business travel (flights, kilometre allowances, public transport, taxi rides, train trips, ferry trips and hotel nights), IT equipment (equipment acquired during the year), cloud services, water consumption, waste, paper consumption, food services, other purchased goods and services, employee commutes and remote work, fuel and energy consumption and emissions from Mandatum's investments.

GHG emissions (Scopes 1, 2 and 3)

	2024
Scope 1 GHG emissions	
Gross Scope 1 GHG emissions (tCO ₂ eq)	20
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0
Scope 2 GHG emissions	
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	312
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	276
Significant scope 3 GHG emissions	
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	6,090,711
1 Purchased goods and services	448
2 Capital goods	61
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	52
5 Waste generated in operations	2
6 Business travel	279
7 Employee commuting	314
15 Investments	6,089,555
Total GHG emissions	
Total GHG emissions (location-based) (tCO ₂ eq)	6,091,043
Total GHG emissions (market-based) (tCO ₂ eq)	6,091,007

GHG intensity based on net revenue¹

GHG intensity per net revenue	2024
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/€)	0.016
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/€)	0.016

¹ Mandatum Group does not use the net revenue figure in its financial reporting, but this item includes Mandatum Group's insurance revenue and other income, which are presented in the Consolidated statement of profit or loss and other comprehensive income of the financial statements.

The majority of Mandatum's greenhouse gas emissions are created through investments. In 2024, the emissions from investments totalled 6,089,555 metric tonnes of carbon dioxide equivalent. The greenhouse gas emissions from own operations in 2024 totalled 1,452 metric tonnes of carbon dioxide equivalent (based on the market-based method), which is 2.15 tonnes per employee.

The methodology for calculating greenhouse gas emissions is described in more detail in the chapter *Calculation principles*.

GHG intensity based on net revenue

Mandatum Group does not use the net revenue figure in its financial reporting, but this item includes Mandatum Group's insurance revenue and other income, which totalled EUR 377,0 million in 2024. The greenhouse gas intensity is thus calculated by dividing the total greenhouse gas emissions (location-based and market-based) by the insurance revenue and other income.

GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

Since 2019, Mandatum has compensated greenhouse gas emissions from its own operations in full by supporting Gold Standard certified projects. Emissions from investments are not covered by the carbon credits. These projects facilitate global co-operation to fund initiatives reducing greenhouse gas emissions.

In 2024, Mandatum compensated the greenhouse gas emissions from its own operations for 2023 through a Gold Standard certified project that supports the Thai Hoa Wind Farm in Vietnam. The amount of emission offsets totalled 1,176 metric tonnes of carbon dioxide equivalent. The company is planning to compensate the greenhouse gas emissions from its own operations also for 2024.

OWN WORKFORCE

POLICIES RELATED TO OWN WORKFORCE

Mandatum has identified material impacts, risks and opportunities in respect of its own workforce in its double materiality assessment. These were identified in the areas of secure employment, working time, adequate wages, work-life balance, health and safety, gender equality and equal pay for work of equal value, measures against violence and harassment in the workplace, diversity, privacy, as well as training and skills development. The identified impacts are described in the chapter *Material impacts, risks and opportunities* in the table *ESRS S1 Own workforce*.

All of Mandatum's operating principles, which are described under the sustainability matters in this chapter, apply to the company's own operations and all its employees. All operating principles are applied in all geographical regions where Mandatum's own employees are present: Finland, Sweden and Luxembourg. Mandatum's Board of Directors has the responsibility at the policy level. For policies and guidelines that apply to the company's own employees, the most senior responsible person is the CEO. Operating principles related to identified impacts on employees' rights are implemented in the company's HR practices and procedures.

Mandatum's Code of Conduct, approved by Mandatum plc's Board of Directors, outlines how Mandatum defines its relationship between itself and its employees, partners and suppliers. The Code of Conduct determines the company's ethical guidelines, principles and values, in addition to ensuring that the company complies with applicable legislation and regulation. The Code of Conduct is updated annually, and the Group's Compliance function is responsible for ensuring that it is followed.

Mandatum has compiled internal Diversity, Equity and Inclusion Guidelines approved by the Management Team, which set out operating principles and targets for the coming years. In addition, the company has established the Board of Directors' Diversity Principles, which aim to promote diversity on the Board of Directors and the realisation of gender equality in the Board's work.

As part of the equality plan, Mandatum has considered specific causes for discrimination, such as age, origin, citizenship, language, religion, beliefs, opinion, political activities, trade union activities, family relations, health, disability, sexual orientation or any other personal characteristic. The purpose of the plan is to promote equality in the company, systematically and as required by law, and to create working conditions in which

employees' expertise and experience are considered equitably. The company's SVP, Human Resources is responsible for executing the plan.

Mandatum's general approach for data protection is described in the Code of Conduct. The key principles of data protection when processing personal data are outlined in the Data Protection Principles. The company also has a Group-level Data Protection Policy, which governs the processing of personal data. Other central operating principles in managing risks related to data protection are the Information Management Policy and the Information Security Policy. The aforementioned operating principles and policies are adhered to in the processing of all personal data of data subjects, such as Mandatum's clients and employees.

Relevant stakeholders have been taken into account during the preparation of the policies, and their views have been heard, for example through surveys and workshops.

Policies related to human rights

The principles related to Mandatum's human rights and labour practices are outlined in the Code of Conduct and Human Rights Commitment. The company's Board of Directors has approved the Human Rights Commitment.

Mandatum is committed to conducting its business with respect for internationally recognised human rights. The company complies with the human rights and labour legislation applying to its operations. In addition to applicable legislation, Mandatum is committed to respecting the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, the Conventions of the International Labour Organisation (ILO), the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the UN Global Compact. Mandatum follows the realisation of its commitments by, e.g. tracking reports received through reporting channels and surveys. There is a dedicated process for reports received through a reporting channel, which is discussed in more detail in the chapter *Business conduct policies and corporate culture*. Supervisors communicate with employees on these matters, and they are also discussed in personnel surveys. No formal measures have been taken related to the sustainability matters, as there are no known human rights violations to date.

The company strives to ensure that human rights and employees' rights are also realised in Mandatum's value chain by identifying situations and parties that involve a risk of non-compliance with the above obligations. Mandatum does not tolerate forced labour, child labour or other violations. Mandatum has confirmed the

operating principles and management system for preventing occupational accidents, which are discussed in more detail in the chapter *Health and safety* below.

In 2024, Mandatum conducted a human rights impact assessment utilising the human rights impacts identified in the value chain as part of the double materiality assessment. The company's aim is to ensure that no violations occur in its own operations or value chain. Therefore, the company has initiated the planning of a human rights framework to examine the human rights processes and mechanisms during the upcoming reporting period. The process will incorporate material matters related to the company's own employees and corrective actions to be taken by the company to remediate any potential human rights impacts.

Working conditions

Secure employment

In relation to secure employment, Mandatum has identified a positive impact whereby nearly all of its employment relationships are of indefinite duration. Currently, 95 per cent of Mandatum's personnel are permanent employees.

Mandatum's operating principle is to offer long-term and predictable employment relationships whenever business needs enable it. Improvements in the working

systems support well-being at work and professional development of both permanent and other employees. HR oversees compliance with these principles and is responsible for monitoring employment contract practices and their appropriateness.

Mandatum enters into fixed-term employment relationships only when there is a specifically justified reason for it. Examples of such cases are trainee periods, temporary substitutions or a clearly defined project.

Another identified positive impact related to secure employment is that Mandatum promotes the employment of young people and students. The company regularly arranges a Group-wide trainee programme.

The monitoring of effectiveness is based on analysing the percentage of permanent employment relationships in the personnel structure and measuring employee experience through employee surveys and HR analyses.

Working time

Mandatum has identified positive impacts on work stability related to working time arrangements. Mandatum's operating principles are based on working time provisions related to the Working Hours Act, the collective agreement for the

insurance sector and company-specific practices.

Part-time employment is only offered at an employee's own request, and is limited to accommodating the employee's individual needs, such as family-related leave or studies. The impacts of part-time employment are annually monitored by analysing the accuracy of employees' working hours. The share of full-time employment contracts is kept high through flexible working time practices and developing working systems that are conducive to maintaining work-life balance. Based on the monitoring, measures are taken as necessary to reduce the use of part-time employment and increase the attractiveness of full-time employment.

Adequate wages

Mandatum's Pay Policy and Remuneration Principles have been compiled to ensure a consistent overall remuneration model and principles. Remuneration complies with ethical principles and the requirements of legislation and other regulations applicable to Mandatum.

As a positive impact, each Mandatum employee is paid an adequate wage according to applicable comparative figures in all countries where the company operates.

Maintaining a good level of pay is an essential component of Mandatum's operating principles. HR and supervisors monitor remuneration practises and their impact on employee satisfaction and the company's targets. The development of the remuneration model is monitored by HR together with business management.

Remuneration is designed to promote the company's long-term financial success and create added value for shareholders and other stakeholders. Remuneration schemes are aligned with the company's business strategy and objectives and promote sustainable business practices. Remuneration schemes are designed in accordance with risk management principles and practices. The schemes must not create conflicts of interest or attract or encourage excessive or unwanted risk-taking.

Work-life balance

A good work-life balance has been identified as a positive impact. HR regularly monitors working time and reports any excessive overtime to supervisors and the employee in question. Holidays not taken are also monitored, and the situation is actively addressed if necessary. An identified risk is a poor level of work-life balance, which can reduce the chances of recruiting and retaining the best employees.

Mandatum has various operating principles in place for managing workload due to a work-life imbalance, the most important of which are operating principles related to supervisor training and the early intervention model. Work-life balance is promoted by offering flexible employment models and supporting family-friendly practices.

Health and safety

Mandatum pays special attention to personnel benefits that relate to the management of work ability and employee well-being. An identified positive impact is that nearly all of Mandatum's employees are covered by extended occupational health care. In mental and physical occupational health, the focus is on preventive measures, and employees are offered a wide range of benefits and insurance cover.

It is seen as an opportunity that a good level of health and safety increases the potential for recruiting and retaining the best employees.

Occupational health services are provided in accordance with an operating plan prepared with a partner. Compliance with the operating principles for the personnel's well-being and safety is monitored by HR and occupational health care, in co-operation with supervisors.

Occupational health and safety (OHS) is an area of action based on legislation, the purpose of which is to promote safety and health in the workplace. The OHS action plan is used by the OHS Committee to draw up a detailed annual plan on OHS measures to be carried out. The OHS action plan is approved by the company's CEO.

OHS is defined e.g. in national legislation and various frameworks. The OHS operating principles are available to all relevant stakeholders on the intranet. Occupational accidents are prevented by ensuring a high level of occupational health care and taking care of safe and healthy facilities through the work of the OHS and Corporate Security Working Group.

OHS themes are communicated actively through the intranet, and personnel inclusion is ensured through training, surveys and other events. Workplace conditions are managed in co-operation with occupational health care.

Equal treatment and equal opportunities for all

Gender equality and equal pay for work of equal value

The general goal of Mandatum's operating principles related to equality is to ensure that all employees have equal opportunities to advance their careers and to receive fair pay irrespective of their gender, as this has

been identified as a positive impact on the company's operations.

The company highlights the importance of fair and equitable treatment in assigning job duties, attending training, job rotation and career advancement, so that each employee has the opportunity to develop and to attain their career goals.

Mandatum emphasises equality in all its operations and policies and monitors the gender distribution in its managerial roles. Equality matters are also addressed in the Mandatum Way culture guide, which is handed to all new employees at the start of employment.

Mandatum's Pay Policy has been compiled to ensure fairness, equality and gender-neutrality in pay matters. No kind of discrimination is tolerated in remuneration, and it must be based on objective criteria, such as the employee's competence, performance, responsibilities and position in the company. The operating principles related to gender equality and equal pay for work of equal value are available to the personnel on the intranet.

HR is responsible for monitoring compliance with gender equality and pay equality principles, in co-operation with supervisors. Mandatum prepares an annual report on gender equality, which details the average

earnings of employees covered by the collective agreement, broken down by gender and employee pay grade or position. The report is available to all personnel on the company's intranet.

Training and skills development

The principles of competence development at Mandatum are defined in the Code of Conduct. Competence is maintained both by ensuring a sufficient level of competence among current employees and by recruiting new talent. Competence development and career progression are regularly monitored in development discussions between employees and supervisors, where targets are set and the employee's needs and wishes are explored. Targets set in this context are entered into the HR system.

Mandatum's corporate culture emphasises learning by doing. The company offers internal training courses and programmes for different employee groups to enable their success and development at work. Mandatum covers the costs for degrees in the field of insurance and investment services for employees whose work requires them. Mentoring programmes and job rotation are also offered to support professional development. Additionally, the results from the personnel survey are used to assess the success of the training offering and development programmes.

Mandatum has an online training platform where employees complete online courses based on their roles all year round, including mandatory online courses required by legislation as well as optional online courses. The purpose of online training is to ensure that all employees have an equal chance to improve their competence, and that training is of equal quality for all employees. HR is responsible for monitoring competence development and career advancement and for co-ordinating related measures with supervisors.

Measures against violence and harassment in the workplace

Mandatum has several operating principles in place to prevent violence and harassment in the workplace. Specifically, the Code of Conduct and the Diversity, Equity and Inclusion Guidelines are rooted in principles designed to eliminate discrimination and harassment. All incidents are taken seriously and addressed immediately. There is an internal guideline for reporting and handling cases of discrimination and harassment. This guideline includes details about contact persons and how to handle reports. Cases are reviewed by the Ethics Advisory Board. In order to prevent harassment, there is a form for reporting harassment at work to the employer.

The general goal is that there are no cases of harassment or violence. The related

process and measures are described in more detail in the chapter *Processes to remediate negative impacts and channels for own workers to raise concerns*. HR and OHS are responsible for processing reports of harassment.

Diversity

Mandatum's Diversity, Equity and Inclusion Guidelines promote the principles of diversity, a culture of inclusion and the reinforcement and visibility of the company's principles in practice. The purpose of the guidelines is to promote equal opportunities, diversity and inclusion. The company has a positive impact on this topic. However, at the same time, the identified risk of discrimination and inequality in the workplace could result in reputational damage, reduced attractiveness as an employer and consequently financial losses for the company.

Diversity and inclusion issues are also covered in the Mandatum Way culture guide and in supervisor training. The enforcement of this operating principle is monitored through surveys and reporting channels.

In recruitment decisions, emphasis is placed on qualifications, education, experience and suitability for the tasks, while also promoting the achievement of equality

objectives. Mandatum is developing recruitment models that reduce unconscious bias and assumptions.

Mandatum Asset Management aims for a more balanced gender distribution compared to finance students. The company seeks to increase the attractiveness of the financial sector among non-male individuals by participating in events targeted at women and sharing information about career opportunities at Mandatum.

The company recognises that a diverse Board of Directors, consisting of individuals with a wide range of perspectives, backgrounds and experiences, promotes decision-making in business operations and ensures the realisation of good governance. These objectives are supported by a broad set of competencies among the Board members, as well as their diversity e.g. in respect of age, gender, geographical origin, education and professional background. The attributes of the Board of Directors are assessed annually by the Nomination Committee, which prepares a proposal on the composition of the Board of Directors for the General Meeting. Mandatum's managers and supervisors have targets conducive to responsible leadership.

Other work-related rights

Privacy

The general principles of data protection adhered to by Mandatum in its operating principles and practices are described in the Code of Conduct. In addition, these operating principles are supplemented by separate policies and guidelines related to procedures, such as the Data Protection Principles and the Data Protection Policy. The same operating principles and practices apply to all of Mandatum's stakeholders and they are described in more detail in the chapter *Use of phased-in Disclosure Requirements in accordance with ESRS 1 Appendix C*.

In all operations, Mandatum strictly complies with data protection legislation and with the principles of data protection by design and by default. The management of data protection risks is part of the company's operational risk management process, which is described in more detail in the section *General disclosures*. A general goal of Mandatum's Data Protection Principles and Policy is to ensure the privacy of employees, clients and other stakeholders in all activities in which personal data is processed. Employees' information security and data protection skills are continuously developed by providing regular training, such as online courses.

PROCESSES FOR ENGAGING WITH OWN WORKERS AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

Mandatum has processes in place for managing material impacts and risks which are related to engaging with own workers and workers' representatives. The impacts are reviewed as part of normal annual communication between the employer and the employees. Impacts are communicated where necessary. If the impacts affect the entire company, the information is provided at the company level; if they affect a specific function, the information is provided at the level of the function.

Mandatum's Change Negotiation Committee convenes as needed, generally approximately every three months. The Committee consists of occupational safety representatives, employee representatives and the SVP, Human Resources. It is responsible for ensuring that employees' views are considered in the company's procedures. The necessary resources have been allocated to the individuals participating in the Change Negotiation Committee to address the issues that have arisen. The minutes of the meetings of the Change Negotiation Committee are published on the intranet.

Mandatum regularly conducts employee surveys to gather opinions from its employees. The surveys provide valuable information on what matters most to the personnel, how well these aspects are being managed, and what can be improved to ensure they are implemented as effectively as possible in daily operations. The results, feedback, comments and suggestions from the surveys are reviewed by HR, management and supervisors to enable continuous improvement. The results are reported to the company's management and Board of Directors to support decision-making and strategic planning. Employee surveys are also used to assess the effectiveness of actions and to determine which measures are needed to address any specific actual or potential negative impacts on the workforce.

In 2024, four short surveys and one survey concerning the meaningfulness of work were conducted. The Siqni employee satisfaction survey measures the most meaningful aspects of work for employees and how well they are realised. In 2024, the Siqni index score was 84 (on a scale of 1-100), which qualifies Mandatum for the Future Workplaces certification.

The Pulse employee survey, conducted quarterly in 2024, provides up-to-date information on employee well-being and allows for anonymous feedback. For

supervisors, the survey is a tool to engage the team in discussions about the team's situation and atmosphere, as well as to identify the need for changes at an early stage.

Feedback and results from employee surveys are reviewed by supervisors in one-on-one discussions with their direct reports as well as with the teams. Based on these reviews, an action plan is drafted, and its implementation is monitored in team meetings. HR partners monitor the implementation of the debriefing discussions with the supervisors. The SVP, Human Resources is the highest authority with operational responsibility to ensure that the engagement described in this chapter is carried out as planned, the results are taken into account in the company's practices and that the SVP, Human Resources has the necessary resources for this.

Commitments related to considering employee perspectives in the company's framework agreement are described in more detail in the chapter *Policies related to own workforce*, in connection with information on collective agreements. The effectiveness of engagement is assessed based on response rates, which have remained high. The results are analysed in collaboration with supervisors and HR, and actions are discussed together with the

employees. Necessary changes and their impact on the results are also monitored together with supervisors and HR. Local agreements are drawn up and continued through the Change Negotiation Committee.

Employees are also offered the opportunity to participate in OHS activities. The achievement of OHS objectives is assessed through the monitoring of absences due to illness, work-related accidents and workplace well-being surveys. The Occupational Safety Manager reports regularly to the OHS Committee on the aforementioned matters.

Mandatum also consults persons vulnerable to impacts as part of the normal communications between the employer and the employee. Questions are directed to vulnerable groups in order to examine any adverse impacts on them.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

Mandatum has means such as reporting channels, described in more detail below, and processes such as a process for dealing with harassment cases and a process for reporting privacy breaches. The material negative impacts are described in the chapter *Material impacts, risks and opportunities and their interaction with strategy and business model*.

Mandatum has an online whistleblowing channel, through which suspected violations and misconduct can be reported. The operation and the principles of the whistleblowing channel are described in the chapter *Business conduct policies and corporate culture*.

Potential data protection breaches and incidents related to operational risks are reported to the Risk Management and Compliance functions, using an external service provider's system on the company's intranet. Related activities are also described in more detail in the chapter *Business conduct policies and corporate culture*.

To prevent, identify and address inappropriate behaviour that may occur in

the workplace, the primary method is to try to resolve the issue by discussing it with the colleague or bringing it to the attention of the supervisor. Cases of harassment and violence can be reported through a reporting form available on the company's intranet. All reports are handled as confidentially as possible, and only the necessary individuals participate in meetings and correspondence. Only the relevant employees of the HR unit have access to the documents. Employee representatives are also committed to high confidentiality, and employees have been consulted in the design of the process. If an employee is found guilty of harassment, the matter is always handled directly with the employee, their supervisor and the HR unit. Corrective actions include measures in accordance with labour law, hearing the individual in question and possibly issuing a warning. Mandatum annually evaluates the effectiveness of the reporting channel and corrective actions related to harassment and violence.

The availability of reporting channels is ensured by emphasising the ease of submitting a report and by creating a low threshold for reporting. Regular training and briefings on the intranet are provided on the reporting channels, which raise awareness and encourage employees to use the channels. Additionally, awareness of the channels is ensured as part of the

onboarding process for new employees and is supported by further training throughout the employment. Mandatum can assess through annual online compliance training how many of its employees are aware of the reporting channels and related processes. Furthermore, employee awareness of the actions taken is evaluated, for example, by monitoring the number of reports submitted through the reporting channels or harassment reporting forms. All reports are handled confidentially, and communications and processing related to them are restricted to only the necessary parties. Mandatum's employees can use the appropriate channels at the company level to which they are employed.

The availability, effectiveness and employee trust in the different channels are not currently assessed, but the related follow-up process and measurement method will be reviewed in the upcoming reporting year. When designing the reporting channels, the stakeholders who use them are consulted when necessary, and the company's harassment-related guidelines require the responsible person to check with the stakeholder in question whether the matter has progressed and if a resolution has been reached.

ACTIONS AND APPROACHES RELATED TO OWN WORKFORCE

The SVP, Human Resources is responsible for the execution and reporting of Mandatum's HR strategy. The HR unit includes an HR team consisting of specialists from various areas of HR, such as diversity and well-being at work, pay and remuneration, recruitment and competence development. The job description of HR specialists includes systematically promoting the described programmes and measures regarding working conditions, equality and equal opportunities. The team is responsible for managing material impacts and has the necessary resources to do so. The monitoring of action plans related to the company's own personnel and their expenses are included in the ongoing operational expenses of the business.

In respect of the chapters described above, the measures taken and resources allocated by Mandatum to material sustainability matters and their impacts, risks and opportunities regarding own workforce are considered sufficient and implemented. The procedures are in continuous use or regularly repeated. Therefore, no separate action in respect of these is required, unless otherwise stated. Mandatum generates positive additional impacts on its sustainability matters regarding its own

workforce e.g. in ways which are described below.

Working conditions

Positive additional impacts are generated, for example, by Mandatum introducing a new working time monitoring system in 2023, the development of which was continued in 2024. System development measures ensure that working time monitoring is accurate and fair for all employees.

Performance and competence development was assessed in connection with pay review rounds in 2024. As an additional positive action, a job demands evaluation was carried out in 2024 in collaboration with HR and supervisors, reviewing the demands of each position in the company and updating the job structure of the entire Group. The project is expected to be completed in early 2025. Other follow-up actions, such as remuneration transparency and career path models, will be developed in the coming years based on the job demands evaluation.

Mandatum manages the risk related to work-life balance of its own workforce primarily by having supervisors share the workload among employees, actively monitoring employee absences together with occupational health care and intervening in any problems as early as possible.

The majority of company employees is covered by occupational health care. Mandatum has an actual positive impact on the health of its employees. The topic also represents an opportunity, since employees whose well-being is good are more productive.

Equal treatment and opportunities for all

Mandatum's job demands evaluation project creates an up-to-date job structure that supports career path planning, determining pay levels and gender-specific pay comparisons. The job demands of nearly all positions in the company were assessed in 2024.

Gender equality and pay equality are promoted through annual reporting, which analyses average wages by gender, position and pay category. The report was made accessible to all employees on the intranet also in 2024.

There has been no cases of violence or harassment in 2024, and therefore separate actions in this regard have not been necessary. The company has a grievance mechanism through which employees can raise potential concerns, and it is described in more detail in the chapter *Processes to remediate negative impacts and channels for own workers to raise concerns*.

Employees have also been provided with a training on this matter.

Each employee assesses their competence in the annual development discussion and is able to take part in training to improve their skills.

Other work-related rights

Mandatum has appointed a Group-level Data Protection Officer, whose duties include monitoring and overseeing how data and privacy protection are implemented at the company. The Data Protection Officer reports regularly to the Management Team and Boards of Directors of Group companies on compliance with data protection requirements and on observations regarding risks and development needs. Mandatum ensures through both administrative and technological means that information security and cybersecurity in the Group is in order and that the privacy of employees, clients and other data subjects is not compromised. Employee competence in data protection is maintained and improved by providing regular training and improving capabilities for recognising information security threats in everyday work. The completion rate for the online data protection training was 99.7 per cent in 2024. Mandatum exercises self-monitoring in data protection in order to improve its

capabilities, but its level is also evaluated regularly by independent third parties.

In other work-related rights concerning privacy management, resources have been allocated to the company's Compliance function, particularly the Data Protection Officer working there.

Prevention of negative impacts

Mandatum strives to ensure that its own practices do not cause any material negative impacts on its employees or contribute to any indirect negative impacts.

Mandatum has established a corporate security framework that includes, among other things, personnel security and personal protection in areas dealing with threats of violence and harassment. During 2024, the risks related to these areas were assessed, and measures were defined to prepare for and prevent threats of violence. Additionally, the guidelines for emergency situations were updated. Employee awareness of corporate security, and particularly personnel security, is promoted through the regular implementation of the 'Safety Week'. The 'Safety Week' consists of various briefings and events related to the theme.

Mandatum has identified potential negative impacts related to privacy and the prevention of violence and harassment.

These topics were addressed in the materiality assessment, both internally and with external experts. Since these topics were considered potential in the materiality assessment, it was not necessary to undertake any specific action related to them during the period under review. So far, no privacy breaches have emerged, and there has thus been no need to take specific corrective actions in this respect. However, the situation is continuously monitored, and any breaches will be addressed with specific action as necessary. The described measures currently taken are considered sufficient and implemented, but the company sees that data protection breaches could occur. There were also no incidents of violence or harassment during the period under review, and thus there was no need to take specific action in this respect either. Instead, positive additional measures have been taken and are described above for each sustainability matter.

Mandatum utilises systems and analytics tools for the monitoring of material topics. Mandatum assesses the risks involved in its operations through a separate risk and control self-assessment process. The assessment is carried out regularly by each organisational unit. The process is used to identify and prevent potential risks to personnel, including those related to privacy and the prevention of violence and

harassment. Risk management is described in more detail in the chapter *Risk management and internal controls over sustainability reporting*.

Mandatum has a risk management programme, the purpose of which is to identify risks ahead of time, manage risks effectively and strive to minimise the impacts of any potentially realised risks in a cost-effective manner. This also includes ensuring the management of disruptions and continuity of operations. Risk management is described in more detail in the chapter *Risk management and internal controls over sustainability reporting*.

TARGETS RELATED TO MANAGING NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

Mandatum has set high-level sustainability targets that have been reported in the separately published *Sustainability Review*. The targets were set by involving HR experts and the SVP, Human Resources, as well as consulting experts from the Compliance unit. The targets were established as part of the Sustainability Strategy work, in which the entire company's business and own operations were reviewed as a whole. The company does not yet have outcome-oriented and time-bound targets for all sustainability

matters related to its own workforce, and work will continue to develop them to the necessary detailed levels of impacts, risks and opportunities. Mandatum's priority is to acquire a thorough understanding of its positive and negative impacts, and to update its materiality assessment as part of this process. Based on this, the company intends to focus further on its targets and continue to specify them by the end of 2025. Nevertheless, the company monitors the effectiveness of policies and actions in relation to material sustainability impacts, risks, and opportunities as described in the previous chapters. At this stage, Mandatum monitors the annual change and long-term trend of the reported indicators, if comparative data is available.

The effectiveness of actions is assessed and examined through means such as employee surveys, and by determining which measures are needed to address any specific actual or potential negative impact on the company's own workforce. In terms of sustainability matters, impact and progress are not assessed separately for each matter. The results of the surveys are analysed by HR and supervisors, and the necessary actions are designed and delivered jointly by HR, supervisors and their teams. Monitoring and assessment are similarly carried out jointly by the above. Mandatum intends to assess in more detail which processes for monitoring material

impacts, risks and opportunities are relevant when evaluating the effectiveness of its policies and actions. The general objectives of the policies are described in the chapter *Policies related to own workforce*, but specific target levels, baseline periods or indicators have not yet been set. Employees have been consulted as part of setting the general objectives related to the policies.

CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

The following tables present the number of Mandatum's employees by head count at the end of 2024.

During 2024, 70 employees left Mandatum, the turnover rate being 10.99 per cent. The turnover rate was calculated by dividing the number of employees that left with the average number of employees.

The calculation methodology related to employees is presented in more detail in the chapter *Calculation principles*.

Number of employees (head count), 31 December 2024
Gender

Male	364
Female	315
Other	-
Not reported	-
Total employees	679

Number of employees by country (head count), 31 December 2024
Country

Finland	672
Sweden	3
Luxembourg	4

Number of employees by contract type and gender, 31 December 2024

	Female	Male	Other	Not reported	Total
Number of employees (head count)	315	364	-	-	679
Number of permanent employees (head count)	287	341	-	-	628
Number of temporary employees (head count)	28	23	-	-	51
Number of non-guaranteed hours employees (head count)	9	10	-	-	19
Number of full-time employees (head count)	286	345	-	-	631
Number of part-time employees (head count)	29	19	-	-	48

CHARACTERISTICS OF NON-EMPLOYEE WORKERS IN THE UNDERTAKING'S OWN WORKFORCE

At the end of 2024, Mandatum employed 43 consultants. Consultants are, by definition, persons who are not Mandatum's employees, but are contracted to work with the company on a temporary or project basis (e.g. consultants, freelancers, other entrepreneurs and staffing agency employees).

The calculation methodology related to non-employee workers is presented in more detail in the chapter *Calculation principles*.

DIVERSITY METRICS

The gender distribution of senior management and the age distribution of employees are presented as diversity metrics. The senior management includes the Board of Directors of Mandatum plc and the Group Management Team.

The calculation methodology related to diversity metrics is presented in more detail in the chapter *Calculation principles*.

Gender distribution of senior management, 31 December 2024

Management level	Female		Male	
Board of Directors	2	28.6%	5	71.4%
Level 1: Group Management Team	2	28.6%	5	71.4%
Level 2: Group Extended Management Team	5	71.4%	2	28.6%

Age distribution of employees, 31 December 2024

<30 years		30-50 years		>50 years	
141	20.8%	375	55.2%	163	24.0%

ADEQUATE WAGES

At Mandatum, each employee is paid an adequate wage in accordance with applicable comparative figures in all countries where the company operates. In Finland, the collective agreement for the insurance sector determines minimum pay for employees covered by the agreement. Investment service companies do not have a sector-specific collective agreement, and thus the pay of employees in those companies is compared to country-specific levels for adequate wage in Finland and Sweden. In Luxembourg, the government determines the general levels for minimum wages, which it regularly reviews against the cost-of-living index.

SOCIAL PROTECTION

All Mandatum employees are covered by social security through public programmes, and are thus protected against income loss due to significant life events such as sickness, incapacity, unemployment, parental leave or retirement.

TRAINING SKILLS AND DEVELOPMENT METRICS

In 2024, performance targets were set for a total of 541 individuals in Mandatum's personnel data system. Regular performance and career development reviews were attended by 268 men and 273 women. When recording the targets, supervisors conduct development discussions with their employees, discussing both the targets for the current year and how well the targets in the previous year were attained.

The calculation methodology related to training and skills development metrics is presented in more detail in the chapter *Calculation principles*.

Employees that participated in regular performance and career development reviews (%) 2024

Female	Male	Total
86.9%	75.1%	80.7%

HEALTH AND SAFETY METRICS

At Mandatum, 99.0 per cent of employees are covered by occupational health care and occupational safety. Occupational safety includes all key measures undertaken to ensure the mental and physical safety of employees. The Safety Committee comprehensively oversees safety. Personnel data and employment contract details are entered into Mandatum's HR systems, and accident information is addressed together with the occupational health care. This way, the company ensures that occupational safety covers each safety-related area.

During 2024, there were no fatalities at Mandatum due to work-related injuries. The total number of recordable work-related accidents was eight.

The calculation methodology related to health and safety metrics is presented in more detail in the chapter *Calculation principles*.

The number and rate of recordable work-related accidents 2024

Number of accidents	Accident rate (%)
8	6.9%

Accidents and number of days lost 2024

Accident type	Number of days lost
Work-related injuries	10
Fatalities as a result of work-related injuries	0
Work-related ill-health	-
Fatalities as a result of work-related ill health	-

WORK-LIFE BALANCE METRICS

At Mandatum, all employees (100 per cent) are entitled to family-related leave in accordance with social policy and collective agreements.

The calculation methodology related to work-life balance metrics is presented in more detail in the chapter *Calculation principles*.

Employees that took family-related leave (%) 2024

	Female	Male	Family-related leave taken in total
	37.5%	62.5%	8.3%

REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

The percentage gap in pay between female and male employees was 14.6 per cent in 2024. The pay gap results are impacted by there being a lower number of women in management roles and in certain functions, such as investment operations and IT.

The annual total remuneration ratio of the highest paid individual in the company to the median annual total remuneration for all other employees was 24.8. The ratio has been obtained by dividing the CEO Petri Niemisvirta's total remuneration for 2024 by the median annual total remuneration of the employees.

The calculation methodology related to remuneration metrics is presented in more detail in the chapter *Calculation principles*.

INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Harassment experienced at work can be reported to the employer by using a form available on the intranet. Harassment refers to disruptive behaviour in the workplace causing harm or danger to an employee's health, or other inappropriate behaviour. Human rights violations refer to serious violations of human rights and labour legislation. The whistleblowing channel allows reporting of suspected misconduct, breaches or unethical behaviour in the operations of Mandatum or any of its Group companies.

In 2024, there were no reports of harassment or human rights violations. A single report was received through the whistleblowing channel in 2024, but due to its nature, it was not classified as a whistleblowing report.

There were no fines, penalties or compensation for damages paid related to the incidents described above.

The number of internally reported human rights cases covers all serious violations of human rights and labour practices. Reported cases of discrimination and harassment include reports received through Mandatum's internal reporting channel. The number of reports received through the whistleblowing channel is

collected by a third-party service provider, ensuring data collection impartiality and reliability.

BUSINESS CONDUCT

BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

Mandatum seeks to uphold its corporate culture in many ways. The Code of Conduct contains the Group's ethical guidelines, principles and values. The Code of Conduct guides the corporate culture by forming the foundation for the company's operating practices, which are described in more detail in the company's policies and guidelines. In relation to business conduct, the Code of Conduct also specifically addresses principles concerning corruption and bribery, anti-money laundering and counter terrorist financing, management of insider information, fair competition, supply chain management, and whistleblower protection in relation to suspected misconduct.

The content of the Code of Conduct is reviewed at least annually, and any changes and updates to the document are approved by the Board of Directors of Mandatum plc. All Mandatum Group companies, employees and managers are obligated to comply with the procedures defined in the Code of Conduct and are personally responsible for following them. The Code of Conduct is publicly available on Mandatum's website.

Mandatum's corporate culture, values and way of working are described in the Mandatum Way culture guide. This guide

explains what Mandatum expects from each employee. The expectations emphasise the client perspective and the importance of trust. The guide also describes the main principles for responsibility, brand, communications, encounters and risk management. Mandatum gives the guide to each new employee during orientation.

Mandatum encourages its employees to promote and foster corporate culture, for instance through remuneration. In accordance with the the Code of Conduct, the basis for remuneration is equality and fairness and promoting activities that are aligned with Mandatum's values, Code of Conduct and policies.

Targets related to business conduct

Mandatum has set high-level sustainability targets, which are presented in the separately published *Sustainability Review*. The company does not yet have outcome-oriented and time-bound targets for all sustainability matters related to business conduct, and work will continue during 2025 to develop them to the necessary detailed levels of impacts, risks and opportunities. Nevertheless, the company monitors the effectiveness of its policies and actions in relation to the material sustainability impacts, risks, and opportunities as described in this section.

Diversity, equity and inclusion as part of the corporate culture

Diversity, equity and inclusion are part of Mandatum's value-based culture. Mandatum's principles on equity are defined in the Code of Conduct. In accordance with the company's values, Mandatum is committed to working as one team and treating each member of the team with respect. Respectful treatment also entails the equal and fair treatment of each employee, regardless of their personal attributes or background. Supervisors were trained on these themes in supervisor trainings during 2024.

Mandatum condemns discrimination in all its forms. The company is also committed to the principles of the UN Global Compact and thus to adopting, supporting and implementing fundamental values related to, for example, human and labour rights within its sphere of influence. The company aims to ensure non-discrimination in all recruitment, work, training and development at work, promotions, rewards and other benefits. Pay equality is described in more detail in the chapter *Policies related to own workforce*.

An important part of ensuring inclusion is the Mandatum Experience orientation event held twice a year. In the two-day event, new employees meet with Mandatum's other employees and management. The most

important goals of the event are to provide opportunities for networking and facilitate integration into the company.

Mandatum currently measures diversity and inclusion based on, e.g., the age and gender distributions of personnel.

Pooled engagement

As part of its investment activities, Mandatum also wants to improve the corporate culture of its investee companies by collaborating with them to mitigate the identified sustainability-related risks in accordance with the Responsible Investment Policy and Engagement Principles of Mandatum Asset Management Ltd. Pooled engagement is used especially when it is believed that the company's operating methods can be effectively changed together with other investors. Pooled engagement is mainly used in a reactive manner to address issues that have already occurred. During 2024, Mandatum participated in 52 pooled engagement initiatives in 29 different investee companies. The engagement measures were related to human rights, environment and labour rights. There were 29 active cases related to pooled engagement at the end of 2024. No violations specifically related to child labour or forced labour were identified in the investment portfolio during 2024.

Child labour and forced labour violations are monitored through norm-based screening, where investments are monitored in relation to international norms and standards as defined in international conventions. If violations are detected, Mandatum's ESG team performs an analysis to determine whether, for example, the investee company is contacted or other actions are carried out. ISS ESG's norm assessments and Sustainalytics' risk assessments are utilised in norm-based screening. For example, new equity and bond purchases are monitored weekly, and the company's products are generally monitored quarterly and annually (depending on the product). Detected breaches are followed up after taking action, and the last resort is divestment.

Evaluating corporate culture

In assessing the state of the corporate culture, employee satisfaction surveys are utilised to provide valuable information about the strengths and development points of the culture. Mandatum has been measuring employee satisfaction through such surveys for a long time. In 2024, employee satisfaction was measured through the Signi employee survey. For more information about the survey and how its results are utilised, see the chapter *Policies related to own workforce*.

Risk incidents and reports submitted to the whistleblowing channel are regularly reported to the management of Group companies. The number of these reports and changes in their number provide important information to the management, especially from a risk management perspective.

Preventing misconduct

Mandatum takes all suspicions of misconduct seriously and is committed to examining them with expertise and taking necessary preventative measures. In a misconduct suspicion, the wilfulness and intentionality of a case is an essential consideration. Internal misconduct refers to a scenario where a Mandatum employee or comparable person deliberately ignores legislation or Mandatum's internal operating principles, rules, guidelines or values. External misconduct refers to a scenario where the person committing the action is outside of Mandatum. All Mandatum employees are to know the Group's shared policies and guidelines and those specific to their own work and comply with them.

All employees are obligated to report any suspicions they might have regarding misconduct, breaches or any other unethical activities in addition to any misconduct risks they have identified. Suspected breaches and misconduct can be reported by submitting an internal risk

incident report through Mandatum's internal system, submitting a report orally or in writing to the Risk Management, HR or Compliance function, or using the anonymous whistleblowing channel.

Mandatum and its whistleblowing channel are subject to national whistleblower protection legislation, which implements the European Parliament and Council Directive (EU) 2019/1937. The channel is public and available to Mandatum's employees and stakeholders who detect possible cases of misconduct and breaches in the course of their work. In handling reports submitted through the whistleblowing channel, Mandatum complies with applicable whistleblower protection legislation and guarantees the necessary protection and control measures to protect the identity of the whistleblower and to ensure that no retaliatory action is taken against them because of the report. Mandatum has principles in place to protect employees who uncover misconduct. These principles are compiled in the Whistleblowing Guidelines maintained by the Compliance function.

Reports submitted through the various channels are handled by Risk Management, HR or Compliance, depending on the channel. Reports received through the whistleblowing channel are handled by a representative of the Compliance function

who is in charge of the process. All reports are processed without delay and treated as confidentially as possible, and meetings and correspondence are conducted on a need-to-know basis.

When a suspicion of internal misconduct has been confirmed, a separate internal guideline for investigation is followed at Mandatum. The Compliance function is responsible for keeping the internal investigation process up to date and is the administrator of the related systems. Access to case documents is provided on a need-to-know basis. An investigation may involve experts from various fields, e.g. from Risk Management and Internal Audit, but it is always a party not involved in the investigation that decides on the consequences and makes other decisions in the case. The command chain involved is also excluded from conducting the investigation. The most serious cases are referred to Mandatum's Ethics Advisory Board, whose members are the SVP, Human Resources, the Head of Compliance, the Chief Risk Officer and the General Counsel.

All suspicions and investigated cases are reported to the Operational Risk Committee, business area management teams, Mandatum Group's Extended Management Team and the Boards of Directors of Group companies in

accordance with the confidentiality requirements for each case.

In addition, Mandatum has other confidential channels for reporting grievances that are available to all employees.

- Harassment cases can be reported confidentially through the reporting channel on the company's intranet. This process is described in more detail in the chapter *Processes to remediate negative impacts and channels for own workers to raise concerns*.
- Any data breaches are reported to the Data Protection Officer in the Compliance function through a system on the company's intranet.

Privacy breaches and risk incidents that exceed a certain severity threshold are also reported to the Management Team and Board of Directors of the licensed company in question at least on a quarterly basis.

Mandatum's anti-corruption and bribery principles and framework are described in more detail in the chapter *Prevention and detection of corruption and bribery*.

All employees must annually participate in online compliance training, in which Mandatum's internal operating models, the

Code of Conduct and the related human rights policies are addressed. The prevention of breaches, such as corruption and bribery, is included in mandatory training for all Mandatum employees. The completion of the training is supervised using reports from the company's training system. Mandatum continued to increase employee awareness in 2024 by updating related guidelines and introducing a gifts and hospitality register maintained by the Compliance function. Where necessary, the Compliance function advises employees on matters related to anti-corruption and bribery. In addition, parties involved in investigating cases of misconduct are always provided with dedicated training whenever processes change.

Mandatum's whistleblowing process and channel were presented to personnel representatives to invite dialogue and to facilitate feedback before the updated channel was brought into use in May 2023. The process and its guidelines were last updated in March 2024, and employees are given updated training on the whistleblowing process annually as part of the mandatory compliance training.

Although no cases of corruption or bribery have been reported during the reporting period, the company estimates that the most significant risks of being exposed to corruption or bribery in internal functions

are related to the procurement of products and services. On the other hand, the most significant risks in the sales interface and hence in relation to the client base may be related to companies, decision-makers and the authorities.

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

Before committing to any outsourcing or procurement agreement, Mandatum performs a background check on the supplier. In addition, business-critical partners are subjected to a risk assessment process before the partnership begins. Business-critical partners are assessed for instance based on the critical functions outlined in Mandatum's policy describing the system of governance and in relation to the financial impact, resilience and continuity of the service. The background check addresses factors such as the supplier's financing and solvency, continuity of the business, legal risks (including screening for sanctions and data protection) and ensuring that the supplier is committed to honouring human rights and equitable treatment. Mandatum agrees with suppliers on the terms to be followed in the outsourcing or procurement relationship in compliance with Mandatum Group's Code of Conduct and requires suppliers to commit, where necessary, to Mandatum's information security requirements and, in

the processing of personal data, to Mandatum's data protection requirements.

Mandatum may, at its discretion, also require suppliers to undergo an inspection in the manner and to the extent deemed necessary based on the risks involved. No inspections were conducted in 2024. Mandatum may, as part of the supplier assessment, investigate their operations for compliance with Mandatum Group's Code of Conduct. If it turns out that the supplier does not comply with Mandatum's requirements, Mandatum will not enter into a partnership with the supplier. If a supplier is found to be in violation of these requirements during the partnership, the supplier is given the opportunity to rectify the issue, provided that this is not clearly unwarranted considering the nature and scope of the violation. If the supplier does not fix the problems, Mandatum will discontinue the partnership. In 2024, no remarks to suppliers were necessary.

The Code of Conduct sets Group-wide requirements for responsible supply chain management. According to the Code of Conduct, the values expressed in Mandatum's Code of Conduct are applied to stakeholders and partners where applicable. In particular, significant suppliers are engaged to committing to compliance with Mandatum's Code of Conduct in the procurement agreement.

Mandatum has Group-level outsourcing and procurement policies approved by the Board of Directors, that all employees participating in outsourcing and procurement must follow in their work. Mandatum monitors changes in legislation and official guidelines. The company updates its policies, operating principles and procedures and, if necessary, its outsourcing and procurement agreements according to the regulatory requirements related to supply chains in force at any given time.

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

Mandatum's anti-corruption and bribery framework is based on the Code of Conduct and the Conflict of Interest Policy approved by the Board of Directors. The policies are supplemented by the Guideline on Gifts and Hospitality, which is approved by the Board of Directors, and the Mandatum Way culture guide. Together, these policies and guidelines define Mandatum's principles for anti-corruption and bribery, the aim of which is to promote ethical and responsible business and safeguard the company's reputation by preventing inappropriate influence and conflicts of interest. Mandatum has also signed the UN Global Compact principles and is committed to acting against all forms of corruption in accordance with the principles. Each employee is to know the Group's shared

policies and guidelines and those specific to their own work and comply with them.

The Global Compact's principle related to anti-corruption is also incorporated into Mandatum's investment activities through the Responsible Investment Policy. When making investment decisions, the company considers not only financial but also sustainability factors and associated risks, such as anti-corruption and bribery matters. Direct equity and fixed-income investments are regularly analysed and monitored based on the norms and standards set out in international conventions, such as the UN Global Compact. In fund-type alternative fixed income investments and fund-type real estate investments, implementation of the UN Global Compact or similar principles is monitored, among other things, through annual sustainability questionnaires sent out to asset managers.

If norm-related misconduct or breaches are detected in an investee company in Mandatum's own investment strategies, the incident is investigated, and action is taken on a case-by-case basis. Depending on the severity, nature and extent of the breach, portfolio management measures may consist of direct dialogue with the company's management, engagement measures, or as a last resort, divestment if the investee company does not respond to engagement efforts and does not take

measures to prevent the misconduct or breach within a reasonable time frame. In 2024, one corruption-related breach was identified in the investments in Mandatum's own investment strategies. In this case, Mandatum decided to join in pooled engagement.

In Mandatum's own operations, potential suspicions of corruption or bribery can be reported in the same manner as other internal suspected misconduct, which is described in more detail in the chapter *Business conduct policies and corporate culture*. The reporting of resolved incidents to administrative, management and supervisory bodies is the same as reporting for other incidents of misconduct.

The operating principles, policies and guidelines related to the prevention and detection of corruption and bribery are available to employees on the company's intranet. Employees are also informed of the operating principles of the whistleblowing channel in the intranet and as part of the online compliance training programme. External stakeholders are informed of the whistleblowing channel and how it works on the company's website in Finnish, Swedish and English.

In 2024, Mandatum continued to raise employees' awareness of anti-corruption and bribery with an updated online

compliance training. The training is part of the mandatory annual training for all employees, and therefore covers 100 per cent of the at-risk operations, i.e., operations considered to be at risk of corruption due to the duties and responsibilities involved. The training covers Mandatum's anti-corruption and bribery principles and guidelines on offering and receiving gifts and hospitality. The completion rate for the training was 100 per cent at the end of the year. The completion of the training is monitored through reporting in the Group's training system. A separate training on anti-corruption and bribery was given to members of the Boards of Directors of Mandatum Group companies in September 2024, which some members completed by watching the recording later. Additional training needs for the Boards of Directors, management and at-risk functions are assessed annually.

Anti-money laundering and counter terrorist financing

Mandatum's principles of anti-money laundering and counter terrorist financing are defined in the Code of Conduct and Mandatum Group's Anti-Money Laundering and Counter Terrorist Financing Principles. In addition, the company has an Anti-Money Laundering and Counter Terrorist Financing Policy approved by the Board of Directors, which defines the principles for complying with the requirements of legislation and

regulations on anti-money laundering and counter terrorist financing. The Anti-Money Laundering and Counter Terrorist Financing Principles and Policy concern all Mandatum Group companies, and their contents are reviewed annually.

The company's employees are required to participate in annual online training on anti-money laundering and counter terrorist financing in accordance with their role to ensure that all employees understand their responsibilities and obligations in combatting financial crime. The completion rate of the training was 99.9 per cent at the end of 2024. The company provides additional training in connection with changes in legislation or operating methods and whenever necessary. New employees are trained on anti-money laundering and counter terrorist financing procedures and internal guidelines as part of the onboarding programme that includes the above-mentioned online courses, among other things. The company also ensures that senior management has sufficient competence and understanding of anti-money laundering and counter terrorist financing measures.

Mandatum reports suspicious transactions to The National Bureau of Investigation's Financial Intelligence Unit. In 2024, the company carried out several phone and mail campaigns to collect client due

diligence data. Instructions, documentation and process descriptions were specified during the year, and personnel resources were increased. The year 2024 saw several amendments and amendment proposals to anti-money laundering legislation and official guidelines supplementing them. To implement these, the company continued the development measures started in 2023 related to processes and documentation on anti-money laundering and counter terrorist financing.

CONFIRMED INCIDENTS OF CORRUPTION AND BRIBERY

Mandatum was not aware of any cases of corruption or bribery in 2024, and therefore no convictions or fines related to corruption or bribery occurred.

The reporting methodology related to cases of corruption and bribery is presented in more detail in the chapter *Calculation principles*.

PAYMENT PRACTICES

Mandatum complies with suppliers' terms and conditions of payment to ensure timely settling of invoices and a lasting partnership. Invoices are settled on the due date for all suppliers and partners. Mandatum does not have differing payment practices according to the size of the supplier. According to the invoice data for small and medium-sized enterprises (SMEs),

90 per cent of the invoices in this group were paid in accordance with the supplier's terms and conditions of payment in 2024. Invoices from foreign suppliers are settled generally two days before the due date to allow the payment to reach the recipient in time. Timely settling of invoices is ensured through guidelines and monitoring and by assigning clearly defined roles and responsibilities in invoice processing. Invoices are mainly received as e-invoices or in PDF format.

When processing procurement invoices, the invoice reviewer must review the invoice within three working days and transfer it to the signatories. A signatory must sign off on the invoice within three working days or as soon as the invoice has been deemed legitimate. Substitutes are entered in the system to cover for the absences of signatories. On average, Mandatum settled invoices within 20 days of receiving them in 2024.

Mandatum's three largest supplier groups consist of IT expenses, credit card charges and expenses related to real estate companies. On average, the standard terms and conditions of payments of these suppliers have been complied with in 93 per cent of cases. Mandatum is not currently involved in any legal proceedings due to payment delays.

The calculation methodology related to payment practices is presented in more detail in the chapter *Calculation principles*.

CALCULATION PRINCIPLES

CLIMATE CHANGE

Gross Scopes 1, 2, 3 and Total GHG emissions

Emissions from own operations

The calculation of GHG emissions takes into account the principles, requirements and guidelines established in the GHG Protocol Corporate Standard (2004 version).

Additionally, the calculation of Scope 2 emissions considers the principles and requirements of the GHG Protocol Scope 2 Guidance document (2015 version), and the calculation of Scope 3 emissions considers the principles and requirements of the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011 version).

The emissions calculation of own operations covers all of Mandatum's offices, including 12 offices in Finland and offices in Sweden and Luxembourg. GHG emissions are reported at the Group level. An external service provider performed the calculation using information supplied by Mandatum.

The calculation of Scope 1 emissions is based on the kilometres driven by company vehicles. The driven kilometres were estimated by dividing the contract period kilometres of leased cars over the reporting

period, as more precise consumption or kilometre data was not available.

Scope 2 data on electricity consumption was directly available from the property landlords for all offices except Vantaa, Lappeenranta, Sweden and Luxembourg. The electricity consumption for these sites was extrapolated based on the consumption data from the other offices. Other electricity consumption comes from the charging of electric cars. The information on heating was available only for offices in Helsinki, Oulu, Jyväskylä, Tampere and Pori. The consumption for the remaining offices was extrapolated to cover all offices.

Scope 3 data on water consumption and waste were only available for the Helsinki office. The calculation of waste data is based on the weighing of waste. The consumption of other offices was extrapolated to cover all sites. Data on employees' commuting was collected through a survey. The response rate of the survey was 27.8 per cent, and the results were extrapolated to cover all personnel. 67.1 per cent of the emissions reported in Scope 3 created by own operations is based on primary data obtained directly from the value chain, and 32.9 per cent is based on secondary data.

Main sources for emission factors used in the calculations

Scope	Activity	Emission factor sources
Scope 1	Mobile combustion	Swedish Environmental Protection Agency (EPA) 2024
Scope 2	Electricity	EI.se 2023 for Nordics, International Energy Agency (IEA) electricity EFs 2023
	Heating	Finnish District Heating Suppliers and Finnish Energy Statistics 2023. Calculated from fuel mix using emission factors from the Finnish statistics agency 2023, the Swedish EPA 2023 and the Swedish Energy Agency 2023. Swedenergy 2023.
Scope 3	Purchased goods and services	Ecoinvent v3.9., Transition Pathway Initiative Paper Industry Benchmark 2020, UK Department for Energy Security and Net Zero (DESNZ) 2023, Google 2012, Amazon 2021, IPCC 2014, supplier information from Azure 2024, Microsoft 2021, Salesforce 2021, CEDA 4.01 Global
	Capital goods	Average and supplier-specific product carbon footprints (2017–2022). The suppliers include Lenovo, Apple, Samsung, HP and Seagate.
	Fuel and energy related services	Same as for Scopes 1 and 2, and Ecoinvent 3.9.
	Operational waste	DESNZ 2023, Ecoinvent 3.9, World Bank waste statistics 2024, UK Department for Business, Energy and Industrial Strategy (BEIS) 2023, Ecoinvent EFs v3.10
	Business travel	CEDA 4.01 Global, Cornell Hotel Sustainability Benchmark Index 2023, RDC flight data 2023
Employee commuting	Swedish EPA 2024, SBB/SJ 2023, EI.se 2023 for Nordics, BEIS meth doc 2023, South Pole derived from Swedish Energy Authority 2023, Trafikverket 2023, DESNZ 2023, South Pole derived 2023 based on Anthesis 2021, IEA EEEI 2023 data, BEIS 2023, South Pole electricity and heat EFs 2023	

The main sources for the emission factors used in the calculations are listed on the previous page.

Emissions from Mandatum's investments

When reporting on emissions from investments, Mandatum has considered the principles and rules of the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the Partnership for Carbon Accounting Financials (PCAF) GHG Accounting and Reporting Standard for the Financial Industry. Emissions from Mandatum's investments, or emissions financed by Mandatum, fall within the Scope 3 emission category 15 (investments) in the GHG Protocol and constitute the most significant emissions in Mandatum's value chain.

Mandatum's investments include investments made by Mandatum Life Insurance Company Ltd, client portfolios managed by Mandatum Asset Management, funds managed by Mandatum's fund management companies (UCITS and AIFM) and the joint product of Mandatum Asset Management and Universal Investment, for which the asset manager is Mandatum Asset Management. The following holdings are also treated as investments: Kaleva Mutual Insurance Company (share of ownership 50 per cent based on guarantee capital), Saxo Bank A/S (share of ownership

19.44 per cent) and Enento Group plc (share of ownership 12.27 per cent).

Data used in emissions reporting

The positions used for calculating financed emissions are based on the situation as of 31 December 2024 or on the most recent available data. The calculations for financed emissions include the Scope 1, 2 and 3 emissions from investments, subject to limitations on data availability.

Data availability presents challenges for calculating financed emissions. Mandatum's reporting of financed emissions mainly covers direct equity and fixed income investments, fund-type equity and fixed income investments and direct real estate investments in Mandatum's allocation strategies, for which emissions data is available. Financed emissions have not been calculated for government bonds, cash, derivatives and instruments for which emissions data is not available.

Emissions data for equity and fixed income investments is primarily obtained from ISS ESG and secondarily from the Upright Project, which is an emissions data source particularly for unlisted loans. The emissions data for individual investments has been collected directly from the companies' reports.

The ISS ESG emissions data consists of data reported by companies, typically gathered from companies' sustainability reports, CDP reporting or other corporate publications. Since there is a delay in emissions reporting, the most recent available data at the end of 2024 is based on emissions reported at the end of 2023.

In the absence of reported data, or if reported data is unreliable, ISS ESG estimates the Scope 1, 2 and 3 emissions data. The estimated data is based on financial or operative metrics defined at the sub-sector level. Scope 3 emissions for companies have been estimated on a sectoral basis, because there are considerable differences in the range of reported Scope 3 emissions between companies.

The Upright emissions data is based both on company reporting and on data modelling by Upright.

Emissions reporting for Mandatum's direct real estate investments is based on actual energy consumption in 2024. Emissions calculation is based on the GHG protocol, where emissions related to the energy consumption of properties owned by the company are generally classified as Scope 2 emissions. The emissions calculation for direct real estate investments is based on the actual energy consumption of fuels

(Scope 1) and electricity and district heating (Scope 2) of the properties in 2024. The calculation has been carried out using market-based emission factors for electricity and district heating, as well as emission factors according to the fuel classification of Statistics Finland. The calculation also takes into account the guarantees of origin for renewable electricity and district heating.

In the reporting of financed emissions for 2024, the coverage of emissions data is 59 per cent, taking into account instruments such as cash and derivatives for which financed emissions are not calculated. In the calculation of financed emissions, 42.8 percent of the base data was based on reported information and 14.8 percent on estimated information.

Calculation method for financed emissions

The method used for the emissions calculation follows the guidance in the GHG Protocol and PCAF framework. In the calculation of Mandatum's financed emissions, the emissions of the investee companies are allocated to Mandatum based on the ratio of the investment's market value to the enterprise value including cash of the investee company. In exceptional cases, the allocation coefficient used is Mandatum's ownership share in the company. In direct real estate investments,

the emissions are allocated to Mandatum based on its ownership share of the property.

Non-material Scope 3 categories

The following Scope 3 emission categories are non-material for Mandatum's operations and are therefore not reported.

- Category 4: Upstream Transportation and Distribution. As a provider of financial services, Mandatum does not sell physical goods requiring transportation and distribution.
- Category 8: Upstream Leased Assets. Mandatum's leased assets are considered in Scope 1 and 2 emissions.
- Category 9: Downstream Transportation and Distribution. As a provider of financial services, Mandatum does not sell physical goods requiring transportation.
- Category 10: Processing of Sold Products. As a provider of financial services, Mandatum does not sell physical goods requiring processing.
- Category 11: Use of Sold Products. As a provider of financial services, Mandatum does not sell physical goods that would create emissions during use.
- Category 12: End-of-Life Treatment of Sold Products. As a provider of financial services, Mandatum does not sell

physical goods that would require treatment at end-of life.

- Category 13: Downstream Leased Assets. Mandatum does not have downstream leased assets.
- Category 14: Franchises. Mandatum does not practice franchising.

OWN WORKFORCE

Characteristics of the undertaking's employees

The number of employees is expressed by head count. The head count includes all employees whose employment has been valid for the entire month and who received a net wage for that period. The information on the number of employees, gender and employment contract type are retrieved from Mandatum's personnel data system.

Characteristics of non-employee workers in the undertaking's own workforce

Non-employee workers in Mandatum are consultants. Consultants are, by definition, persons who are not Mandatum's employees, but are contracted to work with the company on a temporary or project basis (e.g. consultants, freelancers, other entrepreneurs and staffing agency employees). The number of consultants working in Mandatum has been compiled based on a survey sent to the unit managers. The figure is expressed by head count.

Diversity metrics

The gender distribution of senior management is reported based on corporate information available on the company's intranet, which contains up-to-date information on the Group's executive

management. Senior management includes the Board of Directors of Mandatum plc and the Group Management Team. The gender distribution is presented by head count, and the data is based on the situation at the end of the year (31 December 2024).

Training and skills development metrics

The total percentage of employees participating in performance and career development reviews is calculated by dividing the number of individuals who have received performance targets by the total number of employees. The percentage of women is calculated by dividing the number of women participating in regular performance and career development reviews by the total number of women in the workforce. Similarly, the percentage of men is obtained by dividing the number of men participating in regular performance and career development reviews by the total number of men in the workforce.

Health and safety metrics

Regarding work-related ill-health, Mandatum's reporting figure includes occupational diseases covered by statutory insurance. An occupational disease refers to an illness primarily caused by a physical, chemical, or biological factor present at work. Typical factors causing occupational diseases include noise, vibration, dust, chemical substances or gases.

Work-life balance metrics

Employees who have taken family-related leave are reported by head count based on information accessed from the company's time tracking system. Family-related leave includes maternity leave, parental leave, paternity leave and carers' leave.

Remuneration metrics (pay gap and total remuneration)

When calculating the pay gap between women and men, the fixed salary of employees working on a monthly salary basis has been converted to an hourly wage by dividing the monthly salary by 150. The calculation principle is based on the method defined in the collective agreement for the insurance sector for part-time wages, which has also been applied to employees outside the collective agreement for consistency. The fixed hourly wage of employees working on an hourly basis has been used as such in the calculation. The average gross hourly wage has been obtained by dividing the total sum of gross hourly wages of female/male employees by the average number of female/male employees (head count). The calculation is based on the wages and the number of employees as of 31 December 2024.

The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all other employees has been obtained by dividing the CEO

Petri Niemisvirta's total remuneration for 2024 by the median annual total remuneration of the employees. The annual total remuneration includes the remuneration paid by the company during 2024 (including salary components, holiday pay, variable bonuses, the taxable value of fringe benefits and any one-time payments). The calculation of the median remuneration has only taken into account the remuneration of employees who have been employed for the entire year 2024.

The salaries of Swedish employees have been converted from Swedish kronor to euros for calculation purposes using the European Central Bank's exchange rate as of 31 December 2024.

BUSINESS CONDUCT

Prevention and detection of corruption and bribery

The reporting of corruption and bribery cases is based on reports submitted to Mandatum's risk management system, whistleblowing channel and Compliance and Risk Management functions.

Payment practices

Mandatum's three largest supplier groups consist of IT expenses, credit card charges and expenses related to real estate companies. When calculating the percentage of payments adhering to the standard payment terms of these suppliers, invoices due in 2024 were extracted from the accounts payable system, the sample was divided into supplier groups, the due date on the invoice was noted, and it was compared to the actual payment date of the invoice.

DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

The following tables display the disclosure requirements reported by Mandatum for the period 1 January to 31 December 2024 and their locations in this Sustainability Statement.

Cross-cutting standards

Disclosure requirement	Location in the Sustainability Statement	Page number
ESRS 2 General disclosures		
BP-1 General basis for preparation of sustainability statements	General basis for preparation of sustainability statements	59
BP-2 Disclosures in relation to specific circumstances	Disclosures in relation to specific circumstances	59
GOV-1 The role of the administrative, management and supervisory bodies	The role of the administrative, management and supervisory bodies	59
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	61
GOV-3 Integration of sustainability-related performance in incentive schemes	Integration of sustainability-related performance in incentive schemes	61
GOV-4 Statement on due diligence	Statement on due diligence	63
GOV-5 Risk management and internal controls over sustainability reporting	Risk management and internal controls over sustainability reporting	64
SBM-1 Strategy, business model and value chain	Strategy, business model and value chain Business areas, Report of the Board of Directors	64, 41
SBM-2 Interests and views of stakeholders	Interests and views of stakeholders	66
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and business model	68
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	Description of the processes to identify and assess material impacts, risks and opportunities	75
IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	136

Environmental standards

Disclosure requirement	Location in the Sustainability Statement	Page number
ESRS E1 Climate change		
ESRS 2, GOV-3 Integration of sustainability-related performance in incentive schemes	Integration of sustainability-related performance in incentive schemes	61
E1-1 Transition plan for climate change mitigation	Transition plan for climate change mitigation	110
ESRS 2, SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and business model	68
ESRS 2, IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	75
E1-2 Policies related to climate change mitigation and adaptation	Policies related to climate change mitigation and adaptation	111
E1-3 Actions and resources in relation to climate change policies	Actions and resources in relation to climate change policies	112
E1-4 Targets related to climate change mitigation and adaptation	Transition plan for climate change mitigation Targets related to climate change mitigation and adaptation	110, 114
E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Gross Scopes 1, 2, 3 and Total GHG emissions Calculation principles	114, 132
E1-7 GHG removals and GHG mitigation projects financed through carbon credits	GHG removals and GHG mitigation projects financed through carbon credits	115

Social standards

Disclosure requirement	Location in the Sustainability Statement	Page number
ESRS S1 Own workforce		
ESRS 2, SBM-2 Interests and views of stakeholders	Interests and views of stakeholders	66
ESRS 2, SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and business model	68
S1-1 Policies related to own workforce	Policies related to own workforce	116
S1-2 Processes for engaging with own workers and workers' representatives about impacts	Processes for engaging with own workers and workers' representatives about impacts	120
S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	Processes to remediate negative impacts and channels for own workers to raise concerns	121
S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Actions and approaches related to own workforce	121
S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	123
S1-6 Characteristics of the undertaking's employees	Characteristics of the undertaking's employees Calculation principles	123, 134
S1-7 Characteristics of non-employee workers in the undertaking's own workforce	Characteristics of non-employee workers in the undertaking's own workforce Calculation principles	124, 134
S1-9 Diversity metrics	Diversity metrics Calculation principles	124, 134
S1-10 Adequate wages	Adequate wages	125
S1-11 Social protection	Social protection	125
S1-13 Training and skills development metrics	Training and skills development metrics Calculation principles	125, 134
S1-14 Health and safety metrics	Health and safety metrics Calculation principles	125, 134
S1-15 Work-life balance metrics	Work-life balance metrics Calculation principles	126, 135
S1-16 Remuneration metrics (pay gap and total remuneration)	Remuneration metrics (pay gap and total remuneration) Calculation principles	126, 135
S1-17 Incidents, complaints and severe human rights impacts	Incidents, complaints and severe human rights impacts	126

Governance standards

Disclosure requirement	Location in the Sustainability Statement	Page number
ESRS G1 Business conduct		
ESRS 2, GOV-1 The role of the administrative, supervisory and management bodies	The role of the administrative, supervisory and management bodies	59
ESRS 2, IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	Description of the processes to identify and assess material impacts, risks and opportunities	75
G1-1 Business conduct policies and corporate culture	Business conduct policies and corporate culture	127
G1-2 Management of relationships with suppliers	Management of relationships with suppliers	129
G1-3 Prevention and detection of corruption and bribery	Prevention and detection of corruption and bribery	130
G1-4 Confirmed incidents of corruption or bribery	Confirmed incidents of corruption or bribery Calculation principles	131, 135
G1-6 Payment practices	Payment practices Calculation principles	131, 135

Data points derived from other EU legislation

The following table presents the data points derived from other EU legislation as listed in

Appendix B of ESRS 2 and their locations in this Sustainability Statement. It is indicated separately in the table if the data point in question is not material for Mandatum, or if

it is not reported for the period under review in accordance with Appendix C of ESRS 1.

Data points derived from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location in the Sustainability Statement	Page number
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27), Annex II		The role of the administrative, management and supervisory bodies	59
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		The role of the administrative, management and supervisory bodies	59
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Statement on due diligence	63
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Non-material data point	-
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Non-material data point	-
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Non-material data point	-
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Non-material data point	-
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Transition plan for climate change mitigation	110
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Transition plan for climate change mitigation	110

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location in the Sustainability Statement	Page number
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Targets related to climate change mitigation and adaptation	114
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Non-material data point	-
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Non-material data point	-
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Non-material data point	-
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Gross Scopes 1, 2, 3 and Total GHG emissions	114
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Gross Scopes 1, 2, 3 and Total GHG emissions	114
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	GHG removals and GHG mitigation projects financed through carbon credits	115
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Information not reported for the reporting period as per ESRS 1 Appendix C	-

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location in the Sustainability Statement	Page number
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Non-material data point	-
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Non-material data point	-
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Non-material data point	-
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Non-material data point	-
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Non-material data point	-
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Non-material data point	-
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Information not reported for the reporting period as per ESRS 1 Appendix C	-

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location in the Sustainability Statement	Page number
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Non-material data point	-
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Non-material data point	-
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex 1				Material impacts, risks and opportunities and their interaction with strategy and business model	68
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex 1				Material impacts, risks and opportunities and their interaction with strategy and business model	68
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Policies related to own workforce	116
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Policies related to own workforce	116
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Policies related to own workforce	116
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Policies related to own workforce	116
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Processes to remediate negative impacts and channels for own workers to raise concerns	121
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Health and safety metrics	125

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location in the Sustainability Statement	Page number
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Health and safety metrics	125
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Remuneration metrics (pay gap and total remuneration)	126
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Remuneration metrics (pay gap and total remuneration)	126
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Incidents, complaints and severe human rights impacts	126
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Incidents, complaints and severe human rights impacts	126
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Information not reported for - the reporting period as per ESRS 1 Appendix C	-
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Information not reported for - the reporting period as per ESRS 1 Appendix C	-
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Information not reported for - the reporting period as per ESRS 1 Appendix C	-
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Information not reported for - the reporting period as per ESRS 1 Appendix C	-
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Information not reported for - the reporting period as per ESRS 1 Appendix C	-
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Information not reported for - the reporting period as per ESRS 1 Appendix C	-

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location in the Sustainability Statement	Page number
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Non-material data point	-
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Non-material data point	-
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Non-material data point	-
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Information not reported for the reporting period as per ESRS 1 Appendix C	-
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Business conduct policies and corporate culture	127
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Business conduct policies and corporate culture	127
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Confirmed incidents of corruption or bribery	131
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Confirmed incidents of corruption or bribery	131



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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

EUR million	Note	1-12/2024	1-12/2023
Insurance revenue	6	337.3	338.1
Insurance service expenses	10, 23	-274.5	-299.0
Reinsurance result		-1.1	-1.3
Insurance service result	23	61.7	37.8
Net investment result	7	1,407.6	1,279.5
Net finance income or expenses from insurance contracts	8	-430.8	-441.1
Net finance income or expenses and operating expenses from investment contracts		-831.5	-660.1
Net financial result		145.4	178.3
Other income	9	39.7	33.9
Other expenses	10	-26.2	-26.2
Finance expenses	11	-16.0	-11.6
Share of associates' profit or loss		-1.6	-1.8
Profit for the reporting period before taxes		202.9	210.4
Income taxes	12	-38.0	-49.9
Net profit for the reporting period		164.9	160.5
Profit attributable to			
Owners of the parent		164.9	160.7
Non-controlling interests		0.0	-0.2
Basic EPS	13	0.33	0.32

Mandatum Group does not have items impacting Other Comprehensive Income in fiscal year 2024 nor fiscal year 2023.

CONSOLIDATED BALANCE SHEET

EUR million	Note	12/2024	12/2023
Assets			
Property, plant and equipment	14	25.1	27.4
Investment property	15	119.8	125.7
Goodwill and intangible assets	16	54.1	54.1
Investments in associates	17	0.5	1.4
Financial assets	18	3,507.3	3,592.4
Financial assets related to unit-linked contracts	18, 19	13,292.5	11,636.1
Insurance contract assets	23	1.1	15.1
Other assets	20	162.0	152.0
Cash and cash equivalents	21	890.4	738.4
Total assets		18,052.7	16,342.6
Liabilities			
Insurance contract liabilities	23	5,640.7	5,518.3
Investment contract liabilities	27	9,908.2	8,529.3
Reinsurance contract liabilities ¹		1.2	1.2
Subordinated debts	28	298.8	249.8
Other financial liabilities	28	320.6	103.6
Deferred tax liabilities	22	133.8	140.8
Other liabilities	29	148.0	200.5
Total liabilities		16,451.3	14,743.6

EUR million	Note	12/2024	12/2023
Equity			
Share capital	31	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
Total equity		1,601.4	1,599.0
Total equity and liabilities		18,052.7	16,342.6

1) Includes reinsurance share of insurance contract assets EUR 1.7 (1.5) million and estimated items of reinsurance fees EUR 7.2 (7.2) million and reinsurance premiums EUR -10.0 (-9.9) million.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR million	Share capital	Reserve for Investment in non- restricted equity	Retained earnings	Non-controlling Interests	Total
Equity at 1 January 2023	5.0	533.5	1,153.1	-0.1	1,691.5
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
Equity at 31 December 2023	0.1	436.7	1,162.6	-0.3	1,599.0
Equity at 1 January 2024	0.1	436.7	1,162.6	-0.3	1,599.0
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
Equity at 31 December 2024	0.1	440.0	1,161.0	0.2	1,601.4

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	1-12/2024	1-12/2023
Operating activities		
Profit before taxes	202.9	210.4
Adjustments		
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 ²	21.9	263.7
Adjustments total	609.8	979.9
Change (+/-) in assets of operating activities		
Investments ¹	-679.4	-776.6
Other assets	-5.2	-25.0
Total	-684.6	-801.6
Change (+/-) in liabilities of operating activities		
Financial liabilities	17.3	-0.3
Other liabilities	-14.5	-34.5
Paid interest ²	-18.5	-13.3
Paid income tax	-40.2	-60.4
Total	-55.9	-108.5
Net operating cash flow	72.1	280.2

EUR million	1-12/2024	1-12/2023
Investing activities		
Investments and divestments in subsidiary shares	-	19.7
Net investment in equipment and intangible assets	-2.3	-5.5
Net investing cash flow	-2.3	14.2
Financing activities		
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
Net financing cash flow	82.1	-280.6
Total cash flows	152.0	13.8
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

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

2) Paid interest amount has been restated for a non-cash flow item relating to derivatives for fiscal year 2023.

GROUP'S NOTES TO THE FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

Reporting entity

Mandatum plc (the Company) is a public limited liability company listed in Helsinki Nasdaq, domiciled in Finland (business id 3355142-3). The Company's registered office is at Bulevardi 56, 00120 Helsinki. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as 'the Group'). The Group provides asset management and wealth management services, remuneration services and personal insurance services to retail and corporate clients.

Basis of accounting

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union on 31 December 2024. The financial statements were approved for issue on 12 March 2025 by the company's Board of Directors.

Functional and presentation currency

These consolidated financial statements are presented in euros, which is the Company's functional currency. All amounts are presented in millions of euros and rounded to the nearest hundred thousands, unless otherwise stated. The figures presented in the financial statements have been rounded from exact values to one decimal place, so the sum of the individual figures presented may differ from the total presented. Transactions denominated in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of transactions or the average exchange rate for the month.

Basis of consolidation

Subsidiaries

The consolidated financial statements cover the parent company Mandatum plc and all the companies in which the Group has control. Mandatum controls a company if the Group is exposed, or has rights, to variable returns from its involvement with the company and has the

ability to affect those returns through exercising its power over the company. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that control ceases.

The Group acts as an investor and a manager of investment funds in various funds in order to get investment returns and fee income. Fund is consolidated if the Group is exposed to the fund's material variable returns and participates in steering the fund operations and organising its' administration. Control is exercised if the Group owns, directly or indirectly, at least 50 per cent of the fund's net assets. In the case of funds held on behalf of the owner of the investment agreement, Mandatum acts as an agent and therefore is not entitled to any profits or losses of the fund. There are no funds consolidated in Mandatum Group.

The acquired companies are consolidated in the consolidated financial statements using the acquisition method. The consideration transferred and the acquiree's identifiable assets acquired and liabilities assumed are measured at their fair values at the acquisition date. Consideration transferred includes the assets transferred, liabilities incurred by Mandatum to the former owners of the acquiree, and any equity interests issued. Mandatum has measured the non-controlling interests at their proportionate share of the net assets of the acquiree.

Associates

Associates are entities in which the Group has significant influence, but no control over the financial management and operating policy decisions. Unless otherwise demonstrated, this is generally presumed when the Group holds in excess of 20 per cent, but no more than 50 per cent, of the voting rights of an entity. The assessment also takes into account Mandatum's actual ability to participate in the decision-making process of the investment which has an impact on the variable return of the investment.

2 USE OF JUDGEMENTS AND ESTIMATES

In preparing these consolidated financial statements, management has 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

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 18 – classification of financial assets: assessing the business model within which the assets are held and whether the contractual terms of the assets are solely payments of principal and interest (SPPI) on the principal amount outstanding;
- Notes 23 and 27 – classification of insurance and investment contracts for Mandatum contracts that have the legal form of insurance or reinsurance contracts: assessing whether the contract transfers significant insurance risk or is an investment contract with discretionary participation features;
- Note 23 – level of aggregation of insurance contracts: Mandatum uses judgement in the formation of groups of insurance contracts when allocating contracts to groups according to the original issue date and expected profitability;
- Notes 6 and 23 – 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 contracts;
- Notes 35 and 36 – consolidation: determining whether the Group controls an investee;

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 December 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Notes 15 and 18 – measurement of the fair value of financial instruments and investment properties with significant unobservable inputs;
- Note 16 – impairment of non-financial assets and cash-generating units (CGU) containing goodwill: key assumptions underlying recoverable amounts;
- Note 6 and 23 – assumptions made in measuring insurance and reinsurance contracts. Changes in the following key assumptions may change the fulfilment cash flows materially during 2024. These changes would adjust the contractual service margin (CSM) and would not affect the carrying amounts of the contracts, unless they arise from onerous contracts or do not relate to future services:
 - assumptions about future cash flows relating to mortality, morbidity, policyholder behavior, the default interest rate and discretionary benefits;
 - assumptions about discount rates, including any illiquidity premiums.

3 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

No new IFRS standards have entered into force in the financial year 2024. Amendment of IAS 1 Presentation of Financial Statements: classification of long- and short-term liabilities and information regarding loans with covenants has an impact on information presented in note 28.

Other changes in the interpretations of IFRS standards have not had significant impact on the Group financial statements.

New IFRS standards published but not yet in force are not expected to have significant impact on the Group's financial statements.

4 OPERATING SEGMENTS

Mandatum Group's operating segments are based on the Group's business areas.

Mandatum Group's segment reporting is based on how the company's management monitors business operations. The reported segments, which are the same as the Group's operating segments, are Institutional and wealth management, Corporate clients, Retail clients and With-profit business. Segment reporting is based on reporting in accordance with Mandatum Group's IFRS accounting principles. The segments are allocated identifiable revenue and expenses, which can be allocated either directly or on a reasonable basis. In the consolidated financial statements, Mandatum plc's income and expenses have not been allocated to business areas.

Institutional and 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.

Corporate clients

Mandatum serves corporate clients in two main groups: 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.

Retail clients

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

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 the decreasing insurance portfolio releases capital.

	1 Jan-31 Dec 2024					
EUR million	Institutional	Corporate	Retail	With-profit	Other	Group
Fee result	26.3	22.7	17.7	-	-	66.6
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
Net finance result	-	-	-	100.4	35.2	135.6
Investment return	-	-	-	176.3	35.2	211.5
Unwinding and discounting of liabilities	-	-	-	-75.9	-	-75.9
Result related to risk policies	-	13.2	12.2	-	-	25.4
CSM and RA release	-	13.2	12.7	-	-	25.9
Other insurance service result	-	-	-0.5	-	-	-0.5
Other result	0.4	-4.9	0.2	15.9	-36.4	-24.7
Profit before taxes for the period	26.7	31.0	30.1	116.3	-1.2	202.9
Client AuM as at 31 Dec 2024	7,835.3	2,589.4	3,532.0			13,956.7

1) Unallocated items include Mandatum plc's and Mandatum Ltd's investment income and loan expenses not allocated to segments.

	1 Jan-31 Dec 2023					
EUR million	Institutional	Corporate	Retail	With-profit	Other	Group
Fee result	19.7	14.7	18.2	-	-	52.6
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
Net finance result	-	-	-	137.8	10.8	148.6
Investment return	-	-	-	307.0	10.8	317.8
Unwinding and discounting of liabilities	-	-	-	-169.1	-	-169.1
Result related to risk policies	-	8.1	9.8	-	-	17.9
CSM and RA release	-	15.7	10.5	-	-	26.1
Other insurance service result	-	-7.5	-0.7	-	-	-8.2
Other result	-0.4	-5.0	-2.7	21.9	-22.5	-8.7
Profit before taxes for the period	19.4	17.8	25.3	159.7	-11.7	210.4
Client AuM as at 31 Dec 2023	6,400.3	2,272.3	3,219.0			11,891.5

1) Unallocated items include Mandatum Ltd's investment income and loan expenses not allocated to segments.

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

	2024	2023	2024	2023	
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	

5 RISK MANAGEMENT

5.1 Risk management principles

Introduction

Mandatum plc is a listed holding company that mainly conducts its business through its subsidiaries. Mandatum Group consists of two subsidiary groups: the life insurance group and the investment firm group.

Mandatum Life Insurance Company Limited (Mandatum Life) offers services in wealth management, rewards and compensation, retirement plans and personal insurance to private and corporate customers. Mandatum Asset Management Ltd is an investment firm that combines fund business, discretionary wealth management, and asset management services. However, Mandatum Group manages its business operations via business areas and in this note, the business areas are grouped as follows:

- Capital-light business areas, comprising the business areas of Institutional and wealth management, Corporate clients and Retail clients. These diverse business areas are grouped because of the similarity of the risks they are exposed to.
- With-profit business area.
- Other including the Group's non-strategic assets held in the parent company.

This note presents information about Mandatum Group's risk exposures and their sensitivities in accordance with the IFRS financial statements. Key processes for measuring and managing risks are also presented.

Mandatum Group's main supervisor is the Finnish Financial Supervisory Authority. Mandatum Group complies with IFRS, and the reporting of Mandatum plc complies with the Finnish Accounting Standards. Furthermore, Mandatum Group adheres to the Solvency II framework.

Risk management strategy

Mandatum Group companies operate in business areas in which the characteristics of value creation are risk pricing and active management of risk portfolios, in addition to good customer service.

To create value for all stakeholders in the long run, Mandatum Group must have the following forms of capital in place:

- Financial flexibility in the form of adequate capital and liquidity.
- Good technological infrastructure.
- Intellectual capital in the form of comprehensive proprietary actuarial data and analytical tools to convert this data into information.
- Human capital in the form of skilled and motivated employees.
- Social and relationship capital in the form of good relationships with society and clients to understand the changing needs of various stakeholders.

Within the Group, these resources are subject to continuous development. High-quality risk management facilitates the creation of shareholder value for the following reasons:

- **Clients** receive a reliable service from a reputable institution, and they feel confident when their client relationships are managed in a diligent and prudent manner, with effective risk management.
- Risk premium required by **investors and counterparties** will be smaller when risks are transparent and risk management is clearly described and communicated.
- The motivation of **the personnel** strengthens when strategies, authorisations, limits, targeted return and reward criteria are clearly defined and communicated.
- Confidence of **the supervisory authorities** in Mandatum's ability to control the risks associated with its activities further strengthens the co-operation with the authorities.

To summarise, the key objective of risk management in Mandatum Group is to create value and to preserve the value already created.

Risk management framework

A functional risk management system is a key element of Mandatum Group's system of governance. In Mandatum Group, the Board of Directors has the overall responsibility for risk management, while the CEO's responsibility is to organise risk management in a way that meets the requirements set by the Board, regulatory frameworks, and other stakeholders. The CRO's responsibility is to ensure that risk management is organised accordingly, and that the scope is adequate in respect of the operations in general. The Group's risk management framework is described in more detail in Mandatum Group's Risk Management Policy published on the Group's website.

Key risks arising from insurance and investment contracts

Mandatum describes its risk classification model, i.e. risk taxonomy, in its Risk Management Policy. This is a hierarchical set of risks that aims to identify various risks to which Mandatum is exposed. As a summary, Mandatum's risk classification model comprises the following:

- Strategic risks
- Earnings risks: market risks, underwriting risks and expense risks
- Consequential risks: counterparty, operational, cyber and liquidity risks.

In this note the focus is on earnings risks since those can have an effect on the financial statements. These risks are generally referred to as financial risks in this note. Consequential risks are covered to a relevant extent. In general, both investment and insurance contracts are exposed to the aforementioned risks. For investment contracts the financial impact arises, however, through the indirect impact of the risk exposure. For example for market risks, the change in the value of the assets covering investment contracts does not have a direct impact on Mandatum's profit or loss but Mandatum's fee income related to the investment contracts can change due to the change in the value of the assets under management.

As a financial sector entity, Mandatum Group's most significant earnings risks are related to the development of the financial markets. This is also the reason why the focus in this note is on market risks.

The table "Main investment and insurance contract types by business area" shows the main investment and insurance contracts at the business area level. In addition, key risks and their key risk mitigations by contract type are presented in the table "Main insurance contract types and their key risks".

Main investment and insurance contract types by business area

Business area /product	Capital-light			With-profit business
	Institutional and wealth management	Corporate clients	Retail clients	
Investment contracts (IFRS 9)				
Capital redemption policy	x	x	x	
Individual savings policy	x	x	x	
Group pension policy (sold after 1 Jan 2023)		x		
Individual pension policy (sold after 1 Jan 2023)		x	x	
Insurance contracts (IFRS 17)				
Individual savings policy				x
Group pension policy (sold before 1 Jan 2023)		x		x
Individual pension policy (sold before 1 Jan 2023)		x	x	x
Group risk policy		x		
Risk policy		x	x	

Main investment and insurance contract types and their key risks

Product	Key risks	Key risk mitigations
Capital redemption policy	Market, lapse and expense risk	Capital-light: Effective expense budgeting, active communication towards clients and product development
Individual savings policy	Market, lapse and expense risk	With-profit: Risk appetite aligned with Group strategy, risk limits and continuous monitoring (internal traffic lights) Capital-light: Effective expense budgeting and active communication towards clients
Group pension policy	Market, expense and longevity risk (IFRS 17)	With-profit: Risk appetite aligned with Group strategy, risk limits and continuous monitoring (internal traffic lights) and active in-force management of liabilities Capital-light: Effective expense budgeting, active communication towards clients and product development
Individual pension policy	Market and expense risk	With-profit: Risk appetite aligned with Group strategy, risk limits and continuous monitoring (internal traffic lights) Capital-light: Effective expense budgeting and active communication towards clients
Group risk policy	Mortality and disability risk	Underwriting and pricing
Risk policy	Mortality and disability risk	Underwriting and pricing

Although in the table “Main investment and insurance contract types and their key risks” several different risks are listed, it does not directly imply that all those risks are material from the financial statements’ perspective. What is important is how well these risks are mitigated in business operations. Lapse risk, for example, is mentioned as a key risk for some of the products, and in the Solvency II framework it is the largest underwriting risk. However, the Solvency II stresses are based on events occurring once in 200 years and the calculation principles are set in the regulation. There are several reasons why the Solvency II stresses as such are not applicable in the IFRS context; e.g., investment contracts are valued under IFRS 9, lapses on alternative investment objects are restricted by nature and by the terms and the Solvency II stresses describe extreme events. Hence, lapse risk is not included in the sensitivity tables presented in this note.

5.2 Underwriting and expense risks
Exposure

Underwriting risk consists of biometric, client behaviour and catastrophe risks. Catastrophe risk is not material for Mandatum due to the nature of its business. Biometric risks refer to the risk that the life insurance company must pay more mortality, disability or morbidity benefits than expected, or that the company must keep paying pension payments to the pension policyholder for a longer time than expected at the time of pricing the policies (longevity risk). Client behaviour risks arise from the uncertainty related to the behaviour of the policyholders. The policyholders have the right to cease paying premiums (lapse risk) and may be able to terminate their policies and withdraw their savings (surrender risk).

Mandatum Group is exposed to underwriting risks within the With-profit business area and the Capital-light business areas. However, the Institutional and wealth management business area, which is part of the Capital-light business areas, is not exposed to biometric risks.

Expense risk arises when the timing and/or the amount of incurred expenses differs from what is expected at the timing of pricing. As a result, expense charges or costs originally assumed may not be enough to cover the realised expenses. Expense risk applies to all business areas.

Insurance contract assets and liabilities by business area as at 31 December 2024

Business area	Fulfilment cash flows	CSM	Insurance contract liability
Capital-light, unit-link contracts	2,979.5	339.0	3,318.5
Capital-light, risk contracts	-75.3	140.5	65.2
With-profit	2,236.9	19.0	2,255.8
Total	5,141.1	498.5	5,639.6

Insurance contract assets and liabilities by business area as at 31 December 2023

Business area	Fulfilment cash flows	CSM	Insurance contract liability
Capital-light, unit-link contracts	2,709.6	314.4	3,024.0
Capital-light, risk contracts	-85.1	137.4	52.3
With-profit	2,418.1	8.8	2,426.9
Total	5,042.6	460.6	5,503.2

More information on changes in insurance contract liabilities is given in Note 23 Insurance contract liabilities.

Management of insurance and expense risks

Biometric risks are managed through careful risk selection, by setting prices to reflect the risks and costs, by setting upper limits for the protection granted and through reinsurance. Both the actuarial function and risk management function have important roles in monitoring risks, and the Group's Insurance Risk Committee monitors the comprehensiveness and appropriateness of insurance risk management. Both functions have representatives on the Committee.

Risk selection is a part of the day-to-day business routines in business operations. Mandatum's Underwriting Policy defines the risk selection principles and limits for the insurance amounts. The Board of Directors of Mandatum Life approves the Underwriting Policy, pricing guidelines and central principles for the calculation of insurance and investment contract liabilities.

Reinsurance is used to limit the amount of individual mortality and permanent disability risks. The Board of Directors annually determines the maximum amount of risk to be retained in the company's own account. Currently this is typically EUR 1.5 million and any excess is being reinsured under the existing reinsurance treaty. To mitigate the effects of possible catastrophes, Mandatum Life has a catastrophe reinsurance treaty in place and for certain disability products there is a quota share treaty. Although reinsurance can be an important method for mitigating underwriting risks, it is not currently significant for Mandatum Group. For this reason, information in this note is given on a gross basis i.e., without the effect of reinsurance.

The risk result is actively monitored and analysed thoroughly at least annually. The actuarial function and the actuarial unit measure the efficiency of risk selection and adequacy of tariffs by collecting information about the actual claim expenditures for each product line and each type of risk and by comparing it to the claim expenditures assumed in insurance premiums of every risk cover.

Expense risk is managed by continuously monitoring expenses, by improving efficiency and by using an expense charge structure that provides income throughout the policy's life cycle.

The key assumptions related to insurance and investment contract liabilities are reviewed annually. The pricing principles for new contracts as well as the underwriting policy and assumptions used in calculating investment and insurance contract liabilities are updated, when necessary, based on the analysis related to investment and insurance contract liabilities and the risk result.

Risk concentrations

The insurance portfolio of the Group is relatively well diversified and does not include major risk concentrations. To further mitigate the effects of possible risk concentrations, the Group has catastrophe reinsurance in place.

The main concentration of the portfolio is geographical, i.e., all insurance contracts are written in Finland. In addition, the group insurance contracts can expose the Corporate client business area to concentration risk. Currently, the 10 largest groups comprise 54.3 (49.3) per cent of the insured persons and 37.5 (37.2) per cent of the risk sums related to death benefits.

Sensitivity analysis

The table “Mandatum Group’s sensitivities related to underwriting risks as at 31 December 2024” shows the results of analyses on how the CSM and profit or loss before tax would have increased or decreased if changes in underwriting and expense risk variables that were reasonably possible at the reporting date had occurred. The effects are recognised through profit and loss and, hence, the changes in the variables do not have an impact on equity. This analysis presents the sensitivities on a gross basis i.e., reinsurance is not included. Otherwise, all other variables are assumed to remain constant.

Mandatum Group’s sensitivities related to underwriting risks as at 31 December 2024

EUR million	CSM	Profit or loss before tax
Capital-light		
Mortality rates (5% increase)	-4.1	-
Mortality rates (5% decrease)	4.1	-
Expenses (10% increase)	-21.9	-
Expenses (10% decrease)	21.9	-
With-profit		
Mortality rates (5% increase)	15.8	-
Mortality rates (5% decrease)	-16.7	-
Expenses (10% increase)	-9.7	-
Expenses (10% decrease)	9.7	-

Mandatum Group’s sensitivities related to underwriting risks as at 31 December 2023

EUR million	CSM	Profit or loss before tax
Capital-light		
Mortality rates (5% increase)	-3.0	-
Mortality rates (5% decrease)	3.0	-
Expenses (10% increase)	-22.2	-
Expenses (10% decrease)	22.2	-
With-profit		
Mortality rates (5% increase)	2.2	15.7
Mortality rates (5% decrease)	-2.2	-15.7
Expenses (10% increase)	-1.7	-11.9
Expenses (10% decrease)	1.7	11.9

In the table, the with-profit business area’s comparative figures for the year 2023 have been revised due to a change in the calculation methodology related to the sensitivity of mortality rates.

5.3 Market risks

As defined in Mandatum Group's Risk Management Policy, market risks refer to the fluctuation of the financial results and capital base caused by changes in market values of financial assets and liabilities, as well as by changes in the value of insurance liabilities. The changes in market values and economic values are caused by movements in the underlying market variables such as interest rates, inflation, foreign exchange rates, credit spreads and share prices.

Mandatum Group's market risks stem mainly from the With-profit business area and from the Group's non-strategic assets. The With-profit business area's market risks arise mainly from investments except for interest rate risk which arises from both fixed income assets and with-profit insurance liabilities. Mandatum Group is also exposed to market risk through its direct investment in non-strategic assets owned by Mandatum plc.

In this note market risks are categorised as follows:

- Equity risk,
- Risk related to alternative investments,
- Interest rate risk,
- Credit risk, and
- Currency risk.

This classification differs slightly from the internal classification based on the Solvency II perspective. However, the classification used here is better for the purposes of the financial statements and better reflects the disclosure and valuation methods used in the financial statements.

Management of market risks

The approach to market risk management is based on the insurance contracts' expected cash flows, the interest level and the adequacy of the solvency position. A common feature for all elements of the with-profit insurance liabilities is the guaranteed rate, which varies between 0 per cent and 4.5 per cent, and the discretionary bonuses according to the published principle of fairness. The cash flows of the with-profit insurance contract liabilities are relatively predictable because in most with-profit policies, surrenders and extra investments are not possible.

Depending on the Group company, the Balance Sheet Policy or Investment Policy is approved by the relevant Board of Directors, and assets under the Group's own risk are managed according to these policies. The policies lay down the principles and limits of investment operations. In addition, the risk appetite and risk limits regarding targeted solvency positions are determined in the Risk Management Policy approved by the Boards of Directors.

Regulated entities are responsible for their own activities, and the With-profit business area's assets, for example, are managed based on policies and limits set by Mandatum Life's Board of Directors. Mandatum Life has outsourced the management of its investment operations to Mandatum Asset Management Ltd (MAM), which makes the day-to-day investment decisions. These decisions are based on the principles and authorisations laid down in the Investment Policy. However, all major investment decisions, such as large allocation changes and decisions related to investments that exceed the investment unit's authorisations, are made by Mandatum Life's CEO or Board of Directors. The Asset-Liability Committee (ALCO) regularly monitors how the principles and limits specified in the Investment Policy are complied with. Mandatum Life also has a separate ALCO which is responsible for managing risks arising from the unit-link business regarding assets covering unit-linked liabilities. Mandatum Group's non-strategic assets are managed based on Mandatum plc's Balance Sheet Policy.

The table "Asset allocation of the With-profit business area as at 31 December 2024 and 31 December 2023" shows the allocation of the With-profit business area's assets at market values as at 31 December 2024 and 31 December 2023. The allocation is presented separately for the original portfolio and the segregated portfolio which Mandatum Life received from Suomi Mutual in 2014. Due to its special characteristics, the latter portfolio and related assets have been segregated. The original portfolio consists of the with-profit liabilities that are not part of the liabilities related to the segregated group pension portfolio. In addition, the original portfolio includes assets backing shareholders' funds.

Asset allocation of the With-profit business area 31 December 2024 and 31 December 2023

EUR million	31 Dec 2024		31 Dec 2023	
	Original portfolio	Segregated portfolio	Original portfolio	Segregated portfolio
Fixed income total	2,239.0	645.1	2,442.5	668.2
Money market securities and cash	383.7	95.1	305.8	80.0
Government bonds	-	-	-	-
Credit bonds, funds, loans and derivatives	1,855.3	550.0	2,136.7	588.2
Listed equity total	199.8	7.4	282.5	7.7
Finland and Scandinavia	75.5	-	127.5	-
Global	124.3	7.4	155.0	7.7
Alternative investments total	582.4	26.2	615.0	28.4
Real estate	105.1	20.3	112.9	23.3
Private equity	281.8	3.2	269.6	2.9
Private credit funds	195.6	2.8	232.5	2.2
Asset classes total	3,021.3	678.7	3,339.9	704.3

The composition of the asset classes in the table “Asset allocation of the With-profit business area as at 31 December 2024 and 31 December 2023” differs from the financial assets presented on Mandatum Group’s balance sheet and therefore the reconciliation to Mandatum Group’s financial assets is shown in the table “Reconciliation between the asset allocation and the balance sheet’s financial assets of the With-profit business area as at 31 December 2024 and 31 December 2023”. The total assets presented on the first row of the table are equal to the sum of total assets of the original portfolio and the segregated portfolio. Other financial assets in the Group include the financial assets of group companies other than Mandatum Life.

Reconciliation between the asset allocation and the balance sheet’s financial assets of the With-profit business area as at 31 December 2024 and 31 December 2023

EUR million	31 Dec 2024	31 Dec 2023
Total assets in the With-profit business area’s portfolios	3,699.9	4,044.2
Accrued interest on fixed income assets	-31.5	-32.9
Intra-group assets	-13.0	-11.2
Direct real estate investments included in the asset allocation	-123.7	-134.3
Net difference in derivatives between asset allocation and financial assets	-2.3	6.2
Cash included in the asset allocation	-478.8	-385.8
Expected credit loss	-1.3	-4.2
Other financial assets in the Group	458.0	110.5
Mandatum Group’s financial assets on the balance sheet	3,507.3	3,592.4

The table “Assets related to the Capital-light business areas as at 31 December 2024 and 31 December 2023” shows the allocation of the Capital-light business areas as at 31 December 2024 and 31 December 2023. The market risks arising from the assets related to the Capital-light business areas are carried by the clients and affect the Group indirectly through future fee income.

Assets related to the Capital-light business areas as at 31 December 2024 and 31 December 2023

Asset class, EUR million	31 Dec 2024	31 Dec 2023
Fixed income	5,805.6	5,045.6
Listed equities	4,372.3	3,618.1
Alternative investments	3,114.6	2,972.4
Total	13,292.5	11,636.1
- of which related to IFRS 17 contracts	3,409.9	3,130.2
- of which related to IFRS 9 contract	9,882.6	8,506.0

In the table, the comparative figures for the year 2023 have been adjusted as the investments acquired in advance have been taken into account.

The total assets presented in the table “Assets related to the Capital-light business areas as at 31 December 2024 and 31 December 2023” correspond to the investments related to unit-linked insurance contracts presented in Note 19 of Mandatum Group’s financial statements. The breakdown to different asset classes differs from the financial statements’ other notes since in this note fund investments are included on a look-through basis and included in different asset classes based on the asset classes of the underlying investments of the funds.

The total financial assets of Mandatum plc as at 31 December 2024 amounted to EUR 458.7 (109.3) million. The assets consist mainly of equity and money market investments.

5.4 Equity risk and risk related to alternative investments

Exposure

Equity risk is the risk of losses due to changes in share prices. The With-profit business area’s listed equity and alternative investments at the end of the years 2023 and 2024 are presented in the table “Asset allocation of the With-profit business area as at 31 December 2024 and 31 December 2023”. The listed equity and alternative investments of the Capital-light business areas are presented in the table “Assets related to the Capital-light business areas as at 31 December 2024 and 31 December 2023”.

The equity portfolios are actively managed. For the With-profit business area’s portfolios, the positions and risks in the equity portfolios and the related derivatives may not exceed the limits set in the Investment Policy. The developed market equity portfolio is managed mainly by MAM, while the emerging market equity investments are mainly managed through external asset managers.

Alternative investments are either investments in asset classes other than those mentioned elsewhere in this note, or investments in the mentioned asset classes using investment instruments which have a management model or an investment strategy which deviates from the norm. In Mandatum Group, private equity funds, other alternative funds and real estate investments are classified as alternative investments. Other alternative funds are mainly private credit funds.

In the With-profit business area’s portfolios, private equity funds and private credit funds are mainly managed by external asset managers. The private equity fund portfolio is diversified according to both fund style and geographical area. Alternative investments are placed both directly into individual funds and into funds of funds in order to attain sufficient diversification between funds and investment styles.

Alternative investments often come with an investment commitment that is made at the beginning and is committed over time, either fully or in part, as investments in the funds in question. At the end of 2024 Mandatum Group had EUR 2,146.1 (2,006.5) million in open off-balance-sheet investment commitments, of which EUR 1,897.1 (1,842.8) million were related to the Capital-light business areas and EUR 249.0 (163.6) million to the With-profit business area. These amounts are maximum amounts, and since a significant part, especially within the With-profit business area’s portfolio, is related to funds with older vintages, the expected amount to be committed is lower.

These commitments expose the business areas to the risk of not having liquid assets to pay the funds’ capital calls. Mandatum Group manages this risk by evaluating, in advance, the amounts and timing of potential future capital calls, and these are taken into account in the internal liquidity management. With respect to the Capital-light business areas, the capital calls are usually financed by collecting a separate insurance premium from the policyholder. The methods used to manage the resulting counterparty risk with regard to the policyholder include, for example, client selection, defining the target group for the investment baskets and the insurance policy terms and conditions.

Sensitivity analysis

An analysis of Mandatum Group's sensitivity to an increase or decrease in equity and alternative investment prices as at 31 December 2024, assuming that all other variables remain constant, is presented in the table "Mandatum Group's equity and alternative investments' sensitivities as at 31 December 2024". The effects are recognised through profit and loss and, hence, the changes in the variables do not have an impact on equity. The following shocks are applied:

- 20 per cent shock for listed, unlisted and private equity.
- 10 per cent shock for real estate investments and other alternative funds.

Risk concentrations

Mandatum Group's concentrations from equity risk are related to the Group's non-strategic assets, which at the reporting date were Saxo Bank A/S EUR 301.7 million, Enento Group plc EUR 51.0 (56.9) million and Terrafame Ltd EUR 46.2 (46.2) million.

In the With-profit business area, concentrations related to alternative investments are related to the real estate portfolio as the direct real estate investments are all located in Finland. Moreover, there are some concentrations in the private equity and private credit fund portfolios as the five largest investments in the private equity portfolio are equal to 61.6 (63.5) per cent of the portfolio and the five largest investments in the private credit fund portfolio are equal to 52.0 (53.5) per cent of the portfolio. On the other hand, funds have diversified the underlying investment portfolios, which mitigates concentration risk.

The portfolios of the Capital-light business areas are well diversified and, hence, do not contain significant concentrations.

Mandatum Group's equity and alternative investments' sensitivities 31 December 2024

EUR million	CSM		Profit or loss before tax	
	Increase	Decrease	Increase	Decrease
Capital-light				
Investment and insurance contracts	65.6	-65.6	-1,360.5	1,360.5
Financial instruments	-	-	1,360.5	-1,360.5
Total - Capital-light	65.6	-65.6	0.0	0.0
With-profit				
Insurance contracts	-	-	-3.5	3.5
Financial instruments	-	-	129.0	-129.0
Total - With-profit	-	-	125.4	-125.4
Group assets				
Financial assets	-	-	80.5	-80.5
Total - Group assets	-	-	80.5	-80.5

Mandatum Group's equity and alternative investments' sensitivities 31 December 2023

EUR million	CSM		Profit or loss before tax	
	Increase	Decrease	Increase	Decrease
Capital-light				
Investment and insurance contracts	63.5	-63.5	-1,171.7	1,171.7
Financial instruments	-	-	1,171.7	-1,171.7
Total - Capital-light	63.5	-63.5	0.0	0.0
With-profit				
Insurance contracts	-	-	-1.9	1.9
Financial instruments	-	-	150.1	-150.1
Total - With-profit	-	-	148.2	-148.2
Group assets				
Financial assets	-	-	21.3	-21.3
Total - Group assets	-	-	21.3	-21.3

5.5 Interest rate risk

Exposure

Mandatum's most significant interest rate risk is that fixed income investments will not, over a long period of time, generate a return at least equal to the guaranteed interest rate of the with-profit liabilities. The probability of this risk increases when market interest rates fall and remain at a low level.

According to the Investment Policy related to the With-profit business area's portfolios, the interest rate risk of the insurance contract liabilities must be taken into account when defining the composition of the investment asset portfolio. The duration gap between insurance contract liabilities and fixed income investments is constantly monitored and managed. Control levels based on internal capital models are used to manage and ensure adequate capital in different market situations.

As at 31 December 2024, the average duration of the With-profit business area's original portfolio's liabilities was around 9 years (around 9) and for the segregated portfolio around 8 years (around 9). The duration of the original portfolio's fixed income investments, including cash and interest rate derivatives, as at 31 December 2024 was 3.5 years (3.3) and the duration of the segregated assets was 4.3 years (3.6).

Regarding the with-profit liabilities, Mandatum Group has prepared for low interest rates by, for example, reducing the guaranteed interest rate of the contracts. In addition, existing contracts have been changed to accommodate the improved management of reinvestment risk. Furthermore, Mandatum has hedged the interest rate risk related to insurance contract liabilities with interest rate swaps, the principles of use and limits for which are specifically defined in the Investment Policy related to the With-profit business area's portfolios. Hedge accounting is not applied to interest rate swaps related to the insurance contract liabilities in Mandatum Group's financial statements as Mandatum Life applies hedge accounting under local GAAP. Mandatum Group's interest rate sensitive instruments are presented in the table "Mandatum Group's assets and liabilities which are sensitive to changes in interest rates as at 31 December 2024 and 31 December 2023". In the table, reinsurance is excluded from the insurance contracts as the balance sheet items related to reinsurance are not sensitive to changes in interest rates.

Mandatum Group's assets and liabilities which are sensitive to changes in interest rates as at 31 December 2024 and 31 December 2023

EUR million	31 Dec 2024	31 Dec 2023
Financial instruments		
Assets	2,432.6	2,635.2
Liabilities	-201.1	-
Total	2,231.5	2,635.2
Investment related to unit-linked contracts	5,097.2	4,213.7
Interest rate swaps	25.7	21.3
Total financial instruments	7,354.4	6,870.2
Insurance contracts		
Liabilities	5,621.0	5,492.4
Assets	-4.8	-15.1
Total insurance contracts	5,616.2	5,477.3
Investment contract liabilities	3,789.6	3,080.2
Total	9,405.9	8,557.5

In addition, there are financial assets and liabilities on Mandatum Group's balance sheet which are recognised at amortised cost and, hence, changes in their value due to changes in interest rates does not have an impact on the balance sheet or the income statement.

Sensitivity analysis

An analysis of the Group's assets and liabilities' sensitivity to a 1 percentage point parallel increase or decrease in market interest rates at the reporting date, assuming that all other variables remain constant, is presented in the table "Interest rate sensitivity of Mandatum Group's total balance sheet 31 December 2024". The effects are recognised through profit and loss and, hence, the changes in the variables do not influence equity.

Interest rate sensitivity of Mandatum Group's total balance sheet 31 December 2024

EUR million	CSM		Profit or loss before tax	
	Increase	Decrease	Increase	Decrease
Capital-light				
Investment and insurance contracts	20.7	-18.6	140.5	-143.9
Financial instruments	-	-	-140.5	143.9
Total - Capital-light	20.7	-18.6	-	-
With-profit				
Insurance contracts	-	-	126.2	-147.4
Financial instruments	-	-	-109.6	118.9
Total - With-profit	-	-	16.7	-28.6
Group assets				
Financial assets	-	-	-0.2	0.2
Financial liabilities	-	-	0.2	-0.2
Total - Group assets	-	-	0.1	-0.1

Interest rate sensitivity of Mandatum Group's total balance sheet 31 December 2023

EUR million	CSM		Profit or loss before tax	
	Increase	Decrease	Increase	Decrease
Capital-light				
Investment and insurance contracts	11.2	-9.2	109.7	-111.5
Financial instruments	-	-	-109.7	111.5
Total - Capital-light	11.2	-9.2	-	-
With-profit				
Insurance contracts	-	-	126.8	-149.0
Financial instruments	-	-	-102.9	111.2
Total - With-profit	-	-	23.9	-37.7
Group assets				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total - Group assets	-	-	-	-

5.6 Credit risk

Credit risk is the risk of loss or of an adverse change in the financial situation, resulting from fluctuations in the credit standing of issuers of securities, derivative counterparties or other debtors. Credit risk arises from investments as well as insurance and reinsurance contracts.

In Mandatum Group, credit risk can materialise as market value losses when credit spreads change unfavourably (spread risk) or as credit losses when issuers of credit instruments or counterparties of financial derivatives or reinsurance transactions fail to meet their financial obligations (default risk). The role of credit risk with the current asset allocation is remarkable from both the risk exposure and risk management perspectives.

In addition to credit risk associated with investment assets, credit risk also arises from reinsurance contracts. Credit risk related to reinsurers arises through reinsurance receivables and through the reinsurers' portion of the liabilities. In Mandatum Group, credit risk related to reinsurance is relatively low compared to the credit risk associated with investment assets.

Exposure

The table "Breakdown of the With-profit business area's investment assets by rating as at 31 December 2024 and 31 December 2023" shows the breakdown of the fixed income investments in the With-profit business area's portfolios by rating.

Breakdown of the With-profit business area's investment assets by rating as at 31 December 2024 and 31 December 2023

EUR million	31 Dec 2024		31 Dec 2023	
	Original portfolio	Segregated portfolio	Original portfolio	Segregated portfolio
AAA	-	-	-	-
AA+ to AA-	28.3	6.5	46.0	10.9
A+ to A-	322.7	106.6	414.3	126.3
BBB+ to BBB-	704.8	260.8	680.7	213.8
BB+ to C	277.8	72.2	390.2	105.8
D	-	-	-	-
Not rated	501.1	98.8	587.9	127.7
Total	1,834.7	544.9	2,119.1	584.5

In the table, the comparative figures for the year 2023 have been revised due to changes in the credit rating data used for the investments.

The total of investment assets presented in the table "Breakdown of the With-profit business area's investment assets by rating as of 31 December 2024 and 31 December 2023" corresponds to the total fixed income assets presented in table "Asset allocation of the With-profit business area as of 31 December 2024 and 31 December 2023" excluding cash and interest rate swaps.

Sensitivity analysis

An analysis of the Group's sensitivity to a 0.5 percentage point change in credit spreads as at 31 December 2024, assuming that all other variables remain constant, is presented in the table "Mandatum Group's credit spread sensitivities as at 31 December 2024". The effects are recognised through profit and loss and, hence, the changes in the variables do not influence equity. It is assumed that the liquidity premium included in the liability discount rate increases by 0.25 percentage points.

Mandatum Group's credit spread sensitivities as at 31 December 2024

EUR million	CSM		Profit or loss before tax	
	Increase	Decrease	Increase	Decrease
Capital-light				
Investment and insurance contracts	-4.8	4.8	94.8	-93.4
Financial instruments	-	-	-94.8	93.4
Total - Capital-light	-4.8	4.8	-	-
With-profit				
Insurance contracts	-	-	33.5	-33.5
Financial instruments	-	-	-39.5	38.4
Total - With-profit	-	-	-6.0	4.9
Group assets				
Financial assets	-	-	-0.1	0.1
Financial liabilities	-	-	0.4	-0.4
Total - Group assets	-	-	0.3	-0.3

Mandatum Group's credit spread sensitivities as at 31 December 2023

EUR million	CSM		Profit or loss before tax	
	Increase	Decrease	Increase	Decrease
Capital-light				
Investment and insurance contracts	-4.4	3.9	76.2	-74.3
Financial instruments	-	-	-76.2	74.3
Total - Capital-light	-4.4	3.9	-	-
With-profit				
Insurance contracts	-	-	34.6	-40.3
Financial instruments	-	-	-41.0	37.6
Total - With-profit	-	-	-6.4	-2.7
Group assets				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total - Group assets	-	-	-	-

Risk concentrations

The concentration of spread risk can be decomposed into two dimensions: sector and individual counterparties. Regarding sector concentration, 41.9 per cent of the total fixed income investments (43.2) in the With-profit business area's portfolios are in companies operating in the financial sector. Regarding individual counterparties, the five largest fixed income exposures by counterparty are equal to 19.7 per cent of the total investments (15.2).

The Capital-light business areas' portfolio does not contain any significant credit risk concentrations.

Counterparty risks

In Mandatum Group, the three main sources of counterparty risk are financial derivatives, reinsurance, and other receivables. Counterparty default risk arising from reinsurance or receivables from policyholders and other receivables related to commercial transactions is, however, very limited. Moreover, the counterparty risk arising from bank account receivables is considered limited as most of the cash is held in investment grade rated banks. As at 31 December 2024, Mandatum Group had a total of EUR 890.4 million (738.4) in cash.

In Mandatum Group, the default risk of derivative counterparties is a by-product of managing market risks. In the With-profit business area's portfolio, the Group uses interest rate derivatives and FX forwards and options to manage market risks. The counterparty risk of bilaterally settled derivatives is mitigated by careful selection of counterparties, by diversification of counterparties to prevent risk concentrations and by using collateral arrangements, e.g., ISDA Master Agreements backed by Credit Support Annexes. The interest rate swaps are settled in central counterparty clearing houses, which, while further mitigating bilateral counterparty risk, also exposes to systemic risk related to central counterparty clearing houses.

For Mandatum Group, expected credit losses are calculated on financial assets classified at amortised cost, which consist mainly of bilateral loans. Expected credit losses are considered immaterial.

5.7 Currency risk

Exposure

Currency risk can be divided into transaction and translation risk. Mandatum Group is exposed to transaction risk, which refers to currency risk arising from contractual cash flows in foreign currencies.

The With-profit business area's insurance contract liabilities on direct insurance consist entirely of euro-denominated commitments. Currency risk from reinsurance is very low. In practice, the Group is exposed to currency risk directly through the With-profit business area's investments and indirectly through the Capital-light business areas' investments. As at 31 December 2024, Mandatum plc did not have assets denominated in foreign currencies. The With-profit business area's foreign currency position is presented in the table "With-profit business area's foreign currency position as of 31 December 2024 and 31 December 2023". In the With-profit business area's portfolios, the currency positions are mainly hedged, leading to a small net foreign currency position.

With respect to the Capital-light business areas, customers bear the direct currency risk. Indirectly, Mandatum Group is exposed to currency risk also in these business areas since a change in exchange rates would have an impact on the future fee income and as a result the change would impact insurance contract liabilities.

With-profit business area's foreign currency position as at 31 December 2024 and 31 December 2023

EUR million	31 Dec 2024				31 Dec 2023			
	USD	GBP	SEK	Other	USD	GBP	SEK	Other
Financial assets	294.1	120.6	53.6	52.5	334.0	108.3	43.8	69.4
Derivatives	-291.7	-120.0	-53.4	-34.8	-328.5	-105.9	-43.5	-43.0
Total	2.4	0.6	0.2	17.7	5.5	2.5	0.2	26.4

In the table “With-profit business area’s foreign currency position as at 31 December 2024 and 31 December 2023”, the other currency positions stem from fund investments in developing markets. The total net position is larger than the currency position of developed market currencies because hedging currency risk in the emerging market currencies can be costly and difficult, and hence the currency risk is left open. Nevertheless, the position has decreased since 2023. The With-profit business area’s open currency positions are managed within the limits imposed by the Investment Policy.

Sensitivity analysis

A sensitivity analysis for currency risks is not provided since currency risks are not significant for Mandatum Group. The open foreign currency position of the With-profit business area is EUR 20.9 million as presented in the table “With-profit business area’s foreign currency position as of 31 December 2024 and 31 December 2023”. Hence, for example, a 10 per cent change in foreign exchange rates would mean an impact of EUR 2.1 million, which is not significant compared to Mandatum Group’s profit or loss.

The foreign currency position related to the assets in the Capital-light business areas is larger than the With-profit business area’s foreign currency position, but the impact on the Group is indirect and, therefore, not significant.

5.8 Liquidity risks

General

From Mandatum Group’s business operations’ perspective, liquidity risk is most relevant to the With-profit business area. In general, a major change in surrenders within the With-profit business could have an impact on the liquidity position. However, only a relatively small number of insurance contracts can be surrendered prematurely. In addition, the nature of the underlying insurance contract liabilities within the With-profit business area mitigates the risk exposure as cash flow arising from the business area’s portfolios are relatively predictable, and a sufficient share of the corresponding investment assets are invested in cash or short-term money market investments. In addition, the amount of fixed income investments exceeds the present value of insurance contract liabilities in the business area’s portfolios, and the expected cash flows arising from the assets meet the portfolios’ outflows in the medium term.

In addition to the With-profit business area, the management of liquidity risks is relevant also for Mandatum plc. The company needs to maintain adequate buffers for expenses and expected dividend payments as well as interest payments and amortisations on debt.

With respect to the Capital-light business areas, the management of liquidity risks is also important. However, for these business areas, the importance is more related to a customer satisfaction perspective, since the customers bear the investment risks and Mandatum Group is not directly exposed to liquidity risk but instead the investment funds and investment objects customers have linked their savings to need to manage liquidity accordingly.

Management of liquidity risks

The parent company of Mandatum Group, Mandatum plc, shall ensure sufficient liquidity to cover expected cash flow needs. Mandatum plc needs liquidity to manage the Group’s financing needs, to ensure dividend payments and to finance potential transactions. Mandatum plc’s revenue stream is limited to internal dividends from the Group companies and investment returns. If necessary, Mandatum plc can rely on external sources of capital or Mandatum plc’s assets can be sold when considering possible liquidity constraints. Hence, the parent company’s liquidity needs to be managed holistically together with the dividend policy, strategic ambitions and balance sheet targets.

Maturity analysis

The table “Mandatum Group’s cash flows according to contractual maturity as at 31 December 2024” provides a maturity analysis of Mandatum Group’s financial assets and liabilities and other assets and liabilities relevant from a liquidity risk perspective. The analysis shows the expected cash flows based on the years in which the cash flows are expected to occur. The liability cash flows provided include the future discretionary bonuses.

Mandatum Group's cash flows according to contractual maturity as at 31 December 2024

EUR million	Carrying amount			Cash flows						
	Carrying amount total	Carrying amount without contractual maturity	Carrying amount with contractual maturity	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	10+ years
Financial assets	17,740.3	14,307.7	3,432.6	991.5	543.2	568.0	746.6	443.0	858.8	2.3
Financial assets (non-derivatives)	17,716.6	14,307.7	3,409.0	990.1	539.5	564.7	743.7	440.5	842.9	1.5
Interest rate swaps	23.1	-	23.1	0.8	3.6	3.3	2.9	2.5	16.0	0.8
FX derivatives	0.6	-	0.6	0.6	-	-	-	-	-	-
Financial liabilities	10,554.5	-	10,554.5	-1,182.0	-813.9	-724.0	-699.1	-1,074.5	-2,836.8	-4,455.0
Financial liabilities (non-derivatives)	626.6	-	626.6	-257.8	-15.8	-15.8	-43.4	-346.6	-28.5	-
Interest rate swaps	0.4	-	0.4	-	-	-	-	-	-0.6	0.1
FX derivatives and other derivatives	19.3	-	19.3	-19.3	-	-	-	-	-	-
Investment contract liabilities	9,908.2	-	9,908.2	-904.9	-798.1	-708.2	-655.7	-727.9	-2,807.7	-4,455.0
Fund commitments	-	-	-	-2,146.1	-	-	-	-	-	-
Lease liabilities	21.3	-	21.3	-3.1	-2.9	-2.6	-2.6	-1.9	-9.4	-0.5
Insurance contract liabilities	5,640.7	-	5,640.7	-344.8	-366.6	-351.6	-339.8	-326.0	-1,473.5	-4,319.1

In the table, financial assets and liabilities have been divided into contracts with contractual maturity and contracts without contractual maturity. Cash flows related to assets without contractual maturity are not included in the table, although they cover the <1 year liability cash flows, the net of which is negative in the table. For floating rate fixed income instruments, the future coupon cash flows are based on estimates of future rates. The remaining commitments related to alternative investments and settlement receivables are included in the <1 year cash flows. In addition, the table shows the investment and insurance contract liabilities' expected cash flows after reinsurance. Due to the nature of the items, the figures include some uncertainty.

Mandatum Group's cash flows according to contractual maturity as at 31 December 2023

EUR million	Carrying amount			Cash flows						
	Carrying amount total	Carrying amount without contractual maturity	Carrying amount with contractual maturity	<1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	10+ years
Financial assets	15,986.7	12,480.1	3,506.6	1,230.7	600.2	621.7	554.3	620.2	526.4	1.7
Financial assets (non-derivatives)	15,944.6	12,480.1	3,464.6	1,210.4	597.9	618.1	550.8	617.4	512.0	0.3
Interest rate swaps	18.9	-	18.9	-2.9	2.3	3.6	3.5	2.8	14.5	1.4
FX derivatives	23.2	-	23.2	23.2	-	-	-	-	-	-
Financial liabilities	8,888.8	-	8,888.8	-1,326.7	-913.0	-770.2	-669.0	-630.0	-2,499.2	-2,918.6
Financial liabilities (non-derivatives)	353.3	-	353.3	-259.5	-13.7	-2.3	-2.3	-30.2	-	-
Interest rate swaps	-	-	-	-	-	-	-	-	-	-
FX derivatives and other derivatives	6.2	-	6.2	-6.2	-	-	-	-	-	-
Investment contract liabilities	8,529.3	-	8,529.3	-1,061.0	-899.3	-767.8	-666.7	-599.8	-2,499.2	-2,918.6
Fund commitments	-	-	-	-2,006.5	-	-	-	-	-	-
Lease liabilities	23.0	-	23.0	-2.8	-2.8	-2.7	-2.5	-2.5	-9.4	-2.4
Insurance contract liabilities	5,518.3	-	5,518.3	-321.6	-357.5	-347.5	-323.3	-318.5	-1,456.9	-4,183.3

In the table, financial assets and liabilities have been divided into contracts with contractual maturity and contracts without contractual maturity. Cash flows related to assets without contractual maturity are not included in the table, although they cover the <1 year liability cash flows, the net of which is negative in the table. For floating rate fixed income instruments, the future coupon cash flows are based on estimates of future rates. The remaining commitments related to alternative investments and settlement receivables are included in the <1 year cash flows. In addition, the table shows the investment and insurance contract liabilities' expected cash flows after reinsurance. Due to the nature of the items, the figures include some uncertainty. In 2024 fund commitments, investment contract liabilities and assets related to unit-link insurance have been added to the table and, hence, the presentation of the comparative figures for the year 2023 has also been restated.

5.9 Operational risks

General

Operational risk refers to the risk of financial and/or reputational loss resulting from inadequate or failed processes or systems, from personnel or from external events. This definition includes legal and compliance risks but excludes risks resulting from strategic decisions. Operational risks can be mitigated, for example, by having adequate controls in place for operative processes. Realised operational risks may lead to additional expenses, revenue losses, loss of reputation and possibly official sanctions.

The goal of operational risk management is to identify risks ahead of time, manage risks effectively and strive to minimise beforehand the impacts of any realised risks in a cost-effective manner.

Management of operational risks

Within Mandatum's risk management system, operational risks are managed according to the overall risk management process. Important parts of this overall process are the Risk and Control Self-Assessment ("RCSA") process, Change Risk Assessment ("CRA") process and the incident management process. The RCSA is a continuous process where each unit in the Group proactively identifies and assesses their own risks on a regular basis. The CRA process is a proactive risk assessment process for identifying risks related to significant changes in the business, operations, systems, products or other changes which might potentially have a significant impact on the risk profile of Mandatum Group or the Group companies. The incident management process links realised incidents to identified risks and as such plays an important role in the risk management process.

One important aspect of the risk management process is the continuity of daily operations. This is also required by law, which states that insurance and investment firms must plan their daily operations in a way which enables them to adapt to exceptional and sudden crises and interruptions which they possibly face. Mandatum Group companies have separate business continuity plans in place.

5.10 Information security and cyber risks

General

Information security and cyber risk refers to risks of potential loss or harm related to technical infrastructure, use of technology or loss of sensitive information or data due to a cyber-attack or data breach. Cyber risk has consequences of financial loss, disruption or damage to the reputation of an organisation, resulting from the loss of confidentiality, availability or integrity of information or information systems. The third level classes in the internal risk classification are external cyber misconduct, internal cyber misconduct and processing failures of digital data. The classes of external and internal misconduct include, for example, data breaches and the unauthorised use of systems by external or internal parties respectively. The subclass of processing failure of digital data refers to, among others, the disappearance or loss of data and the unsecure sharing of personal or confidential data.

Management of information security and cyber risks

Information security and cyber risks are managed by implementing appropriate organisational measures and technological protection controls. Organisational measures include policies and guidelines, training, roles and responsibilities, continuity planning and incident response procedures. Technical measures include a wide variety of tools, among others, monitoring and access control, anomaly detection and impacts minimisation.

Mandatum improves information and cyber security systematically according to its information security strategy, which has been approved by the management, taking into account the continuously changing threat environment. Mandatum considers information and cyber security as a key element in developing high-quality services and digitalising its services as well as in creating a positive client experience. Mandatum follows the international ISO/IEC 27001:2022 information security standard when developing and maintaining information security. When ensuring digital operational resilience, Mandatum complies with the requirements set out in the Digital Operational Resilience Act.

5.11 Climate and macroeconomic risks

Environmental issues and climate change are factors that are expected to have both a medium-term and a long-term impact on Mandatum Group's business especially through the investment portfolios. Therefore, responsible investment and investment management will become increasingly important tools for managing investment risks in the future. In particular, investments that are vulnerable to climate change risks are those where losses are incurred due to extreme weather events and possible revaluations if business models in carbon-intensive industries change. A detailed description of the sustainability risks Mandatum is exposed to and their mitigation methods is given as part of the Report of the Board of Directors.

Inflationary developments and measures to curb them could lead to a significant slowdown in economic growth and problems with the debt sustainability of companies, households and governments. The war in Ukraine and the tensions in the Middle East could also have an adverse impact on macroeconomic developments.

Mandatum Group is mainly affected by macroeconomic and financial market developments through its investment assets and insurance contract liabilities. In the long term, any adverse macroeconomic effects may also be reflected in Mandatum's operational business, for example, through adverse developments in client assets.

6 INSURANCE REVENUE

Accounting policy

Insurance revenue represents the reduction in the liability for the remaining coverage (LRC) of the reporting period due to the insurance services provided, and therefore the composition of insurance revenue is presented through the release of LRC components. Insurance revenue reflects the part of insurance premiums and fees charged on insurance contracts which Mandatum expects to be entitled to in exchange for services provided.

An amount of the CSM release is recognised in profit or loss in each period to reflect the services provided in that period. The amount of services provided is determined by identifying coverage units in the group of insurance contracts. The number of coverage units in a group is the quantity of coverage provided through the contracts in the group, determined by considering for each contract the quantity of benefits or other obligations under the contract and expected contract maturity.

Expected claims and other operating expenses include expected claims excluding investment components for the reporting period, including unwinding of the loss component, expected operating expenses, and accrual of acquisition costs.

Other items include the experience adjustment for short-term life insurance contracts, which no longer affects services provided in the future.

Accounting policies for CSM, risk adjustment and valuation models are included in Note 23 Insurance contract liability.

EUR million	2024	2023
Amounts relating to changes in liabilities for remaining coverage, GMM		
CSM recognised in profit or loss	26.3	20.4
Change in risk adjustment for non-financial risk for risk expired	4.1	8.8
Expected incurred claims and other insurance service expenses	232.7	239.0
Other	20.9	16.2
Total insurance revenue, GMM	284.0	284.5

EUR million	2024	2023
New contracts and contracts measured under the full retrospective approach at transition	29.7	22.1
Contracts measured under the modified retrospective approach at transition	99.4	97.1
Contracts measured under the fair value approach at transition	154.9	165.2
Total insurance revenue, GMM	284.0	284.5

EUR million	2024	2023
Amounts relating to changes in liabilities for remaining coverage, VFA		
CSM recognised in profit or loss	27.1	25.5
Change in risk adjustment for non-financial risk for risk expired	0.9	0.7
Expected incurred claims and other insurance service expenses	18.0	19.5
Other	7.3	7.9
Total insurance revenue, VFA	53.3	53.7

EUR million	2024	2023
New contracts and contracts measured under the full retrospective approach at transition	2.9	2.3
Contracts measured under the modified retrospective approach at transition	46.3	48.1
Contracts measured under the fair value approach at transition	4.2	3.3
Total insurance revenue, VFA	53.3	53.7

7 NET INVESTMENT RESULT

The return on debt securities and interest-bearing securities is divided into interest income and changes in value. The change in value is calculated as the difference between the fair value of the instruments and their amortised cost. Interest income and expenses for financial assets at amortised cost are accrued for the duration of the contract using the effective interest method. Dividend income is recognised in the financial year during which the right to dividend has been established. See note 18 for accounting policies for valuation of financial assets and liabilities.

EUR million	2024	2023
Financial assets		
Derivative financial instruments		
Gains/losses	-27.1	23.6
Investments related to unit-linked contracts		
Debt securities		
Interest income	84.8	64.5
Gains/losses	19.7	37.7
Equity securities		
Gains/losses	935.5	709.3
Dividend income	195.9	143.4
Loans and receivables		
Interest income	12.4	12.0
Other assets		
Gains/losses	-53.9	-1.8
Total	1,194.6	965.1
Financial asset at amortised cost		
Interest income	34.3	29.3
Gains/losses	-11.9	-10.2
Total	22.4	19.1

EUR million	2024	2023
Financial assets measured at fair value through profit or loss		
Debt securities		
Interest income	120.4	108.0
Gains/losses	34.2	107.2
Equity securities		
Gains/losses	-3.4	36.7
Dividend income	74.0	41.9
Total	225.3	293.9
Total financial assets	1,415.2	1,301.7
Other assets		
Investment properties		
Valuation changes	-4.5	-9.9
Gains/losses	-1.9	-12.5
Other	3.5	8.9
Total other assets	-2.9	-13.6
Net fee income		
Asset management	-3.3	-3.1
Fee income	-1.0	-0.1
Premiums from unit-linked contracts	-0.3	-5.6
Total	-4.7	-8.7
Net income from investments total	1,407.6	1,279.5

8 FINANCE INCOME OR EXPENSES FROM INSURANCE CONTRACTS

Accounting policy

Finance income and expenses from insurance contracts include changes in the insurance contract liabilities due to changes in the fair value of the underlying assets of contracts measured under the VFA model and interest accreted on the components of the insurance contract liabilities, as well as the effect of changes in interest rates and other financial assumptions of contracts measured according to the GMM measurement model. All finance income and expenses arising from insurance contracts are recognised in profit or loss and include finance income and expenses related to risk adjustment.

Insurance contracts are reported in euros, so there are no exchange rate changes.

EUR million	2024	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
Total finance income or expenses from insurance contracts	-430.8	-441.1

9 OTHER FEE INCOME

Accounting policy

Mandatum provides incentive, pension arrangement and wealth management services to its clients. The wealth management services can take a legal form of insurance or a service contract. Mandatum recognises fee income relating to wealth management and incentive and pension arrangement services according to IFRS 15 standard either over time or at a specific point in time in other income of profit or loss statement.

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, fulfils 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 a 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	2024	2023
Income from incentives and pension arrangements	8.1	8.0
Management fees	25.4	20.7
Other income	6.2	5.2
Total	39.7	33.9

10 EXPENSES

EUR million	2024	2023
Claims	198.0	223.9
Personnel	85.0	77.3
IT	29.1	31.1
Commissions	21.9	20.4
Marketing	3.8	4.2
Amortisation & depreciations	2.9	3.9
Services sold & bought	4.7	3.3
Facility expenses	4.0	4.5
Employees' group life insurance costs	2.0	2.8
External services	8.6	7.9
Market information	2.6	2.8
Consulting	5.1	6.4
Other	4.4	5.7
Total	372.2	394.1
Amounts attributed to insurance acquisition cash flows incurred during the year	1.1	1.3
Amortisation of insurance acquisition cash flows	24.6	18.0
Acquisition cost	-5.6	-4.8
Rebate	-12.8	-11.8
Total	379.5	396.8
Represented by:		
Insurance service expenses	-274.5	-299.0
Other operating expenses related to investment contracts	-75.4	-68.5
Other operating expenses	-26.2	-26.2
Asset management expenses	-3.3	-3.1
Total	-379.5	-396.8

Insurance service expenses

Insurance service expenses include claims arising from insurance contracts measured in accordance with IFRS 17, excluding investment components, other insurance service expenses including changes in cash flows arising from the acquisition of insurance contracts, experience adjustments, changes in the liability for incurred claims (LIC), and changes in the loss component (LC). Insurance service expenses are presented in more detail in note 23.

Employee benefits

Employee benefits consist of short-term employee benefits, post-employment benefits, termination benefits and share-based payments.

Short-term employee benefits

Short-term employee benefits, such as wages, salaries and benefits, annual leave and bonuses, are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees perform the related service. Short-term employee benefits are expensed as incurred.

Post-employment benefits

Mandatum Group's post-employment benefits consist of pensions and life insurance.

Mandatum Group has defined contribution and defined benefit plans.

Mandatum's most significant defined contribution plan is the statutory employer pension (TyEL) in Finland.

In defined contribution plans, the Group pays fixed contributions to a pension insurance company and has no legal or constructive obligation to pay further contributions. The obligations arising from a defined contribution plan are recognised as an expense in the period that the obligation relates to. The Group also has voluntary defined benefit plans, but these have only a minor impact on the Group's financial position.

Termination benefits

An obligation based on termination of employment is recognised as a liability when the Group is verifiably committed to terminating the employment of one or more persons before the normal retirement date or to granting benefits payable upon termination as a result of an offer to promote voluntary redundancy. As no economic benefit is expected to flow to the employer from these benefits in the future, they are recognised immediately as an expense. Obligations maturing more than 12 months later than the balance sheet date are discounted. The benefits payable upon termination are the monetary and pension packages related to redundancy.

Management remuneration is disclosed in note 32 Related party disclosures.

Personnel expenses

EUR million	2024	2023
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
Total	85.0	77.3

11 OTHER FINANCE EXPENSES

Interest income and expenses are accrued for the duration of the contract using the effective interest method. Interest income and expenses are accrued on a straight line basis for the duration of the financial instrument in relation to the instrument carrying amount in the balance sheet.

EUR million	2024	2023
Interest expenses on financial liabilities measured at amortised cost		
Interest-bearing liabilities	-8.2	-0.6
Subordinated notes issued	-7.3	-10.7
Interest expenses on lease liabilities	-0.5	-0.3
Total	-16.0	-11.6

12 INCOME TAXES

Accounting policy

The item income taxes in the income statement includes income taxes and deferred taxes for the period. Tax expenses are recognised in profit or loss. Taxes for the accounting period are calculated on the basis of current tax rates. Deferred tax is calculated on any temporary difference between the carrying amount and the tax base of an asset or liability. Deferred tax is not recognised for non-deductible impairment of goodwill or undistributed profits of subsidiaries to the extent that it is probable that the temporary difference will not be reversed in the near future. Deferred tax is calculated on the basis of effective tax rates prior to the balance sheet date. A deferred tax asset is recognised to the extent that it is probable that taxable profit against which the temporary difference can be utilised will accrue in the future.

The Act on the Minimum Tax for Large Groups entered into force in Finland on 1 January 2024. Mandatum Group is not subject to the law in the financial year 2024, as due to the partial demerger taken place in 2023 Mandatum Group is considered a new group that may be subject to regulation in 2025 at the earliest. Therefore, the Act does not affect Mandatum Group's figures for the financial period 1 January 2024-31 December 2024.

Effective tax rate for fiscal year 2024: 18.7% (2023: 23.7%)

Parent company nominal tax rate 2024: 20% (2023: 20%)

EUR million	2024	2023
Profit before tax	202.9	210.4
Tax calculated at parent company's tax rate	-40.6	-42.1
Different tax rates on overseas earnings	0.6	0.1
Income not subject to tax	3.6	1.0
Expenses not allowable for tax purposes	-2.6	-3.3
Tax from previous years	1.1	-5.6
Total	-38.0	-49.9

13 EARNINGS PER SHARE

Accounting policy

Mandatum presents basic earnings per share (EPS) figures for its shares. Mandatum Group does not have diluting instruments outstanding at the end of the fiscal year. Basic EPS figures are calculated by dividing the profit or loss that is attributable to the shareholders of Mandatum plc by the number of shares outstanding at the end of the financial year.

EUR million	2024	2023
Earnings per share		
Profit or loss attributable to the equity holders of the parent company	164.9	160.7
Weighted average number of shares outstanding during the financial year	502,067,244	501,796,752
Earnings per share (EUR per share)	0.33	0.32

14 PROPERTY AND EQUIPMENT

Accounting policy

Property and equipment comprise properties occupied for the Group's own activities, office equipment, fixtures and fittings, and furniture. Classification of properties as those occupied for own activities and those for investment activities is based on the square metres in use. If the proportion of a property in owner's use is no more than 10 per cent, the property is classified as an investment property.

Property and equipment are measured at historical cost less accumulated depreciation and impairment losses. Improvement costs are added to the carrying amount of a property when it is probable that the future economic benefits that are attributable to the asset will flow to the entity. Costs for repairs and maintenance are recognised as expenses in the period in which they were incurred. Items of property and equipment are depreciated on a straight-line basis over their estimated useful life. In most cases, the residual value is estimated at zero. Land is not depreciated.

Estimates of useful life are reviewed at financial year-ends, and the useful life is adjusted if the estimates change significantly.

The Group as lessee

Mandatum Group's leases consist mainly of office premises and are either fixed-term or indefinite term.

Mandatum assesses at inception whether the contract is a lease or contains a lease. A lease is a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases are recognised in the balance sheet as a right-of-use asset and a lease liability. Mandatum applies an exception for short-term or low-value leases and recognises the costs of these leases as an expense in the period in which they are incurred.

Right-of-use assets (right to use the leased asset) are presented as part of Property and equipment and lease liabilities are presented as part of Other liabilities.

A right-of-use asset is recognised at the commencement date and measured at cost, being the initial amount of the lease liability plus any prepayments made to the lessor. Right-of-use assets are depreciated over the shorter of the useful life of the asset and the lease term.

The lease liability is recognised at the commencement date and measured at the present value of future lease payments. The present value of the lease liability is calculated by discounting the future lease payments using the Group's incremental borrowing rate.

Mandatum Group's management uses judgement in determining the incremental borrowing rate and the term of the leases, taking into account any options to extend or to terminate the lease.

The Group as lessor

Assets leased out are included in the balance sheet item Investment property, and their depreciation periods and methods and the basis for recognising impairment losses are the same as for the corresponding tangible assets. Rent receivable is recognised in the profit and loss account as rental income on a straight-line basis over the lease term.

EUR million	2024			
	Right-of-use assets	Land and buildings	Plant and equipment	Total
At 1 Jan				
Cost	29.8	3.0	12.4	45.3
Accumulated depreciation	-7.2	-1.1	-9.7	-17.9
Net carrying amount at 1 Jan	22.7	1.9	2.7	27.4
Carrying amount at 1 Jan	22.7	1.9	2.7	27.4
Additions	0.6	-	0.2	0.8
Disposals	-	-	0.0	0.0
Depreciation	-2.5	-	-0.5	-3.0
Net carrying amount at 31 Dec	20.8	1.9	2.4	25.1
At 31 Dec				
Cost	30.5	3.0	12.6	46.1
Accumulated depreciation	-9.7	-1.1	-10.2	-21.0
Net carrying amount at 31 Dec	20.8	1.9	2.4	25.1

EUR million	2023			
	Right-of-use assets	Land and buildings	Plant and equipment	Total
At 1 Jan				
Cost	26.3	3.0	12.1	41.4
Accumulated depreciation	-5.5	-1.0	-9.2	-15.8
Net carrying amount at 1 Jan	20.7	2.0	2.9	25.6
Carrying amount at 1 Jan	20.7	2.0	2.9	25.6
Additions	3.6	-	0.3	3.9
Depreciation	-1.6	-	-0.5	-2.2
Net carrying amount at 31 Dec	22.7	1.9	2.7	27.4
At 31 Dec				
Cost	29.8	3.0	12.4	45.3
Accumulated depreciation	-7.2	-1.1	-9.7	-17.9
Net carrying amount at 31 Dec	22.7	1.9	2.7	27.4

The estimated useful lives by asset class are as follows:

Residential, business premises and offices:	20–60 years
Industrial buildings and warehouses:	30–60 years
Components of buildings:	10–15 years
IT equipment and motor vehicles:	3–5 years
Other equipment:	3–10 years

15 INVESTMENT PROPERTY

Accounting policy

Investment property is measured initially at cost and subsequently at fair value with any change therein recognised in profit or loss. Lease income from investment property is recognised as 'other investment revenue' on a straight-line basis over the lease term. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

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

Determination of fair values

Valuation techniques

Mandatum Group has used an external expert to determine fair values semi-annually on June 30 and December 31. Fair values are also determined if there is an unforeseen or significant change in the conditions of the property that would affect market values or the parameters they are based on. Valuation is based on market and rate of return - methods.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property and the most significant unobservable inputs used. In the fair value hierarchy, investment properties belong to level 3

Valuation technique	Significant unobservable inputs	Fair value measurement sensitivity to unobservable inputs
		The estimated fair value would increase (decrease) if:
Discounted cash flows: The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, void periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates.	Expected market rental growth (2024: +2%)	expected market rental growth were higher (lower);
	Average void periods (months) after the end of each lease: 3-4 months	void periods were shorter (longer);
	Average void periods (months) at the time of assessment: 6 months	void periods were shorter (longer);
	Occupancy rate 2024: 12-100%, weighted average 57%.	rent-free periods were shorter (longer);
	Risk-adjusted discount rates 2024: 6.3-11.5%, weighted average 8.4%	the risk-adjusted discount rate were lower (higher).

Sensitivity analysis of fair values 31 December 2024 and 31 December 2023

Change %	2024					2023				
	-10 %	-5 %	0 %	5 %	10 %	-10 %	-5 %	0 %	5 %	10 %
Required rate of return, EUR million	13.7	6.5		-5.9	-11.2	14.9	7.1		-6.4	-12.2
Rental income, EUR million	-12.4	-6.2		6.2	12.4	-13.4	-6.7		6.7	13.4

16 GOODWILL AND INTANGIBLE ASSETS

Accounting policy

Goodwill is an asset representing the future economic benefits arising in a business combination that are not individually identified and separately recognised. Goodwill is not amortised. Instead, goodwill is tested for impairment on an annual basis.

Intangible assets, whether procured externally, acquired in business combination or internally generated, are recognised in the balance sheet as intangible assets with finite useful lives if it is probable that the expected future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably. The cost of internally generated intangible assets is determined as the sum of all costs directly attributable to the assets. Research costs are recognised as expenses in profit or loss as they are incurred. Costs arising from the development of new IT software or from significant improvement of existing software are recognised only to the extent they meet the requirements for recognition of internally generated intangible assets. Intangible assets with finite useful lives are measured at historical cost less accumulated amortisation and impairment losses. Intangible assets are amortised on a straight-line basis over the estimated useful life of the asset.

EUR million	2024				
	Goodwill	Customer relations	Work in progress	Other intangible assets	Total
At 1 Jan					
Cost	41.2	9.7	4.1	46.7	101.7
Accumulated depreciation	-	-3.9	-	-43.7	-47.6
Net carrying amount at 1 Jan	41.2	5.8	4.1	3.0	54.1
Net carrying amount at 1 Jan	41.2	5.8	4.1	3.0	54.1
Additions	-	-	2.3	0.1	2.4
Depreciation	-	-1.0	-	-1.4	-2.4
Transfers from WIP	-	-	-2.1	2.1	-
Net carrying amount at 31 Dec	41.2	4.8	4.2	3.8	54.1
At 31 Dec					
Cost	41.2	9.7	4.2	48.9	104.1
Accumulated depreciation	-	-4.9	-	-45.0	-50.0
Net carrying amount at 31 Dec	41.2	4.8	4.2	3.8	54.1

The estimated useful lives by asset class are as follows

Client relationships	5-15 years
IT software	4-10 years
Other intangible assets	3-10 years

EUR million	2023				
	Goodwill	Customer relations	Work in progress	Other intangible assets	Total
At 1 Jan					
Cost	41.3	9.7	2.2	46.2	99.3
Accumulated depreciation	-	-2.2	-	-42.0	-44.2
Net carrying amount at 1 Jan	41.2	7.5	2.2	4.2	55.1
Net carrying amount at 1 Jan	41.2	7.5	2.2	4.2	55.1
Additions	-	-	2.4	-	2.4
Depreciation	-	-1.7	-	-1.7	-3.4
Transfers from WIP	-	-	-0.5	0.5	-
Net carrying amount at 31 Dec	41.2	5.8	4.1	3.0	54.1
At 31 Dec					
Cost	41.2	9.7	4.1	46.7	101.7
Accumulated depreciation	-	-3.9	-	-43.7	-47.6
Net carrying amount at 31 Dec	41.2	5.8	4.1	3.0	54.1

Impairment of non-financial assets. At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than insurance and reinsurance contract assets, investment property, deferred tax assets and employee benefit assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

Goodwill impairment testing

For the purposes of impairment testing, goodwill has been allocated to the cash generating units (CGUs) as follows. No impairment losses have been recognised.

Goodwill, EUR million	2024	2023
With-profit	31.6	31.6
Institutional & wealth management	9.6	9.6
Total	41.2	41.2

The recoverable amounts of both CGUs were based on their value in use. The values were determined by discounting the future cash flows to be generated from the continuing use of the assets.

The discount rates for the valuations were based on the current 10-year Finnish government bond yield, an estimate for an equity market premium and other market parameters based on a set of peer companies. The discount rate for the With-profit CGU was based on an estimated required return for equity. The discount rate for the Institutional and wealth management CGU was a weighted average cost of capital.

The cash flow forecasts used in the calculations are approved by management. The cash flow forecasts for the With-profit CGU is 15 years and for the Institutional CGU 5 years. After the forecast periods, residual periods were estimated. The reason for using such a long forecast period for the With-profit CGU is the estimated development of the insurance contract liabilities of this CGU, which in turn has an impact on the required solvency capital and hence on the amount of cash that can be generated. The assumption of growth after the forecast period is based on the estimated use of assets and an estimate of long-term inflation.

The main cash flow estimates were as follows:

With-profit	2024	2023
Long-term growth rate	0.0%	0.0%
Average net profit growth rate over forecast period	-8.0%	-8.0%

Institutional & wealth management	2024	2023
Long-term growth rate	2.0%	2.0%
Average forecasted EBIT growth rate over forecast period	5.0%	5.0%

The valuations were done by discounting cash flows on a post-tax basis. The corresponding pre-tax discount rates were:

Pre-tax discount rate	2024	2023
With-profit	11.2%	13.9%
Institutional & wealth management	8.5%	10.1%

The recoverable amounts for both CGUs exceeded their carrying amounts.

For the Institutional and wealth management CGU, management believes that any possible reasonable change in any of the key assumptions would not cause the carrying amount to exceed the recoverable amount. For the With-profit CGU, a 49 per cent higher discount rate or a 88 per cent decrease in net profit over the whole valuation period would have resulted in impairment.

17 INVESTMENTS IN ASSOCIATES

Associates are entities in which the Group has significant influence, but no control over the financial management and operating policy decisions. Unless otherwise demonstrated, this is generally presumed when the Group holds in excess of 20 per cent, but no more than 50 per cent, of the voting rights of an entity. The assessment also takes into account Mandatum's actual ability to participate in the decision-making process of the investment which has an impact on the variable return of the investment.

The mutual insurance company Kaleva, in which Mandatum holds 50 per cent of the guarantee capital, entitling it to 25 per cent of the voting rights, is not treated as an associate due to restrictions on significant influence and asset allocation.

Associates that have been accounted for by the equity method at 31 Dec 2024

EUR million	Carrying amount	Fair value	Interest held %	Assets/liabilities	Revenue	Profit/loss
Precast Holding Oy	0.5	1.2	27.1	54.9/50.4	58.2	-6.0

Associates that have been accounted for by the equity method at 31 Dec 2023

EUR million	Carrying amount	Fair value	Interest held %	Assets/liabilities	Revenue	Profit/loss
Precast Holding Oy	1.4	1.4	27.1	50.8/43.6	56.6	-6.5

Changes in investments in associates

EUR million	2024	2023
At 1 Jan	1.4	4.3
Additions	0.7	-
Disposals	-	-1.2
Share of loss/profit	-1.6	-1.8
At 31 Dec	0.5	1.4

18 FINANCIAL ASSETS AND LIABILITIES

Accounting policy

Recognition and Initial Measurement

Mandatum Group recognises financial assets and financial liabilities on the balance sheet at the trade date, which is the date the Group becomes a party to the contractual provisions of the instrument. At the time of initial recognition, an item belonging to financial assets or liabilities is recorded at fair value.

The fair value of a financial instrument at initial recognition is generally its transaction price. If the fair value at initial recognition differs from the transaction price, Mandatum Group recognises a day one profit or loss. Mandatum Group has not recognised a day one profit or loss.

Transaction costs directly attributable to the acquisition of financial assets and liabilities measured at fair value through profit or loss are expensed in the income statement at the acquisition date. Transaction costs related to the acquisition of other financial assets and liabilities are included in the acquisition cost.

Financial assets and liabilities are offset and the net amount is presented on the balance sheet only when the Group has a legally enforceable right to set off the recognised amounts and it intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derecognition from the balance sheet

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when substantially all the risks and rewards of ownership are transferred. Financial liabilities are derecognised from the balance sheet when the obligations specified in the contract are fulfilled, canceled, or their validity has expired.

Classification of Financial Assets

Mandatum Group classifies its financial assets as either measured at fair value through profit or loss or at amortised cost. The classification of financial assets is based on Mandatum Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial Assets Measured at Fair Value Through Profit or Loss

Financial assets that are managed and whose performance is evaluated on a fair value basis, or are closely related to insurance contracts, are measured at fair value through profit or loss because they are not held for collecting contractual cash flows or for collecting contractual cash flows and selling financial assets. Additionally, to reduce accounting mismatches, Mandatum Group has classified financial assets underlying insurance contracts at fair value through profit or loss. Derivative contracts are measured at fair value through profit or loss.

These are subsequently measured at fair value, and net gains and losses, including any interest or dividend income and foreign exchange gains and losses, are recognised in profit or loss.

Financial Assets Measured at Amortised Cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The SPPI criteria are met when the contractual cash flows of the financial instrument consist solely of payments of principal and interest on the principal amount outstanding. Principal is defined as the fair value of the financial asset at initial recognition. Interest includes compensation for the time value of money, credit risk, other basic lending risks and costs, and a profit margin. Financial assets measured at amortised cost are subject to a loss allowance for expected credit losses (ECL).

Financial assets measured at amortised cost are loan agreements held to collect contractual cash flows and earn fixed coupon interest over the life of the instruments.

These instruments are subsequently measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses, and impairments are recognised in profit or loss. Gains or losses on derecognition are also recognised in profit or loss.

Mandatum Group predominantly classifies its financial assets as measured at fair value through profit or loss, with only a small portion measured at amortised cost. No financial assets have been classified as measured at fair value through other comprehensive income.

Classification of Financial Liabilities

Mandatum Group classifies its financial liabilities as either measured at fair value through profit or loss or at amortised cost.

The investment contract liabilities from unit-linked contracts are measured at fair value through profit or loss, based on the valuations of the underlying financial assets, which are also measured at fair value through profit or loss. These investment contract liabilities are classified as Level 2 in the fair value hierarchy.

Derivative liabilities are measured at fair value through profit or loss. Net gains and losses, including interest expenses and foreign exchange gains and losses, are recognised in profit or loss.

Financial liabilities, including subordinated liabilities, issued debt securities, and other financial liabilities, are subsequently measured at amortised cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Gains or losses on derecognition are also recognised in profit or loss.

Derivatives, Including Embedded Derivatives

Derivative contracts are classified as held for trading or held for hedging purposes, including interest rate derivatives, credit risk derivatives, currency derivatives, equity derivatives, and commodity derivatives. All derivatives are recognised on the balance sheet as assets when their fair value is positive and as liabilities when their fair value is negative.

Derivatives, including embedded derivatives separated from the host contract, are classified as held for trading unless they are part of a qualifying hedging relationship. Mandatum Group has not applied hedge accounting. Derivatives are measured at fair value, and changes in fair value are recognised in profit or loss.

A derivative embedded in an insurance or reinsurance contract is not accounted for separately from the host contract if the embedded derivative itself meets the definition of an insurance or reinsurance contract. Mandatum Group does not have embedded derivatives related to insurance or reinsurance contracts.

Valuation

Subsequent Valuation of Financial Assets

Determining Fair Value

Fair value is defined as the price that would be received from selling an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial instruments are measured and managed at fair value using either quoted prices in active markets or valuation techniques that rely on observable and available market data. For certain financial assets, fair value is determined using alternative valuation techniques when market data is not available.

Financial instruments measured at fair value are categorised into three levels within the fair value hierarchy, based on the observability of the inputs used in the valuation techniques.

Level 1: Valuations are based on quoted prices in active markets for identical assets or liabilities.

Level 2: Valuations are based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Valuations are based on inputs that are not observable in the market. The most significant level 3 valuation techniques are described in the table on page 56.

Mandatum Group's private equity investments and other alternative funds are generally classified as Level 3 financial assets within the fair value hierarchy.

For private equity funds, the valuation of underlying investments is conducted by the fund manager, who possesses the necessary information for the valuation process. Valuations are typically updated quarterly, reflecting the value of underlying assets and the fund's liabilities. Various valuation methods are employed, including acquisition cost, comparable publicly quoted companies, earnings multiples, or discounted cash flows of the underlying investments. Most private equity funds adhere to the International Private Equity and Venture Capital Valuation (IPEV) guidelines, which provide comprehensive instructions for valuing private equity investments.

For other alternative funds, valuations are also conducted by fund managers. Due to their often complex structures, the valuation of other alternative funds depends on the nature of the underlying investments. Various valuation methods may be used, such as discounted cash flow analysis. The operation and valuation of alternative funds are regulated by frameworks such as the Alternative Investment Fund Managers Directive (AIFMD), which outlines the principles and documentation requirements for the valuation process. Valuation of level 3 funds is based on the latest available information. For the funds for which latest available information is available at a later stage, management takes external and internal sources of information and market development into account when making the judgement.

Impairment of Financial Assets

The expected credit loss (ECL) model is applied to financial assets measured at amortised cost, assets arising from contracts under IFRS 15 (Revenue from Contracts with Customers), as well as loan commitments and financial guarantee contracts subject to impairment requirements. The ECL requirements do not apply to equity instruments or other financial assets measured at fair value through profit or loss.

Expected credit losses (ECL) reflect a probability-weighted amount that is determined by evaluating past events, current conditions, and reasonable and supportable forecasts of future economic conditions.

Mandatum Group recognises a loss allowance for expected credit losses, which is a probability-weighted estimate of credit losses, for financial assets measured at amortised cost and for off-balance sheet undrawn commitments related to these financial assets.

Financial assets at 31 Dec 2024, EUR million	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value					
Derivative financial instruments					
Interest rate swaps	23.1	-	23.1	-	23.1
Foreign exchange derivatives	0.3	-	0.3	-	0.3
Total	23.4	-	23.4	-	23.4
Assets at fair value through profit or loss					
Equity securities	532.0	160.2	-	371.8	532.0
Debt securities	2,221.9	1,841.7	367.0	13.2	2,221.9
Funds	697.0	89.3	78.2	529.5	697.0
Total	3,450.9	2,091.2	445.2	914.5	3,450.9
Financial assets related to unit- linked insurance					
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
Total	13,292.5	7,807.3	2,391.6	3,093.6	13,292.5
Total financial assets measured at fair value	16,766.7	9,898.5	2,860.2	4,008.1	16,766.7
Financial assets at amortised cost	33.0	-	-	33.0	33.0
Group financial assets, total	16,799.7	9,898.5	2,860.2	4,041.1	16,799.8

Financial liabilities at 31 Dec 2024, EUR million	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value					
Derivative financial instruments					
Interest rate swaps	0.4	-	0.4	-	0.4
Foreign exchange derivatives	5.4	-	5.4	-	5.4
Total	5.9	-	5.9	-	5.9
Investment contract liabilities	9,908.2	-	9,908.2	-	9,908.2
Derivative financial instruments related to unit-linked insurance	13.9	-	13.9	-	13.9
Total financial liabilities at fair value	9,927.9	-	9,927.9	-	9,927.9
Financial liabilities measured at amortised cost					
Subordinated loans	298.8	305.1	-	-	305.1
Other liabilities	300.9	-	-	298.9	298.9
Financial liabilities measured at amortised cost total	599.7	305.1	-	298.9	604.1
Group financial liabilities, total	10,527.6	305.1	9,927.9	298.9	10,532.0

Derivative liabilities related to unit-linked insurance are reported in financial liabilities.

Financial assets at 31 Dec 2023, EUR million	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value					
Derivative financial instruments					
Interest rate swaps	18.9	-	18.9	-	18.9
Foreign exchange derivatives	8.6	-	8.6	-	8.6
Total	27.4	-	27.4	-	27.4
Assets at fair value through P&L					
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
Funds	770.6	106.7	72.7	591.2	770.6
Total	3,523.0	2,272.7	574.6	675.8	3,523.0
Financial assets related to unit-linked insurance					
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
Total	11,640.0	6,647.2	2,277.1	2,715.6	11,640.0
Total financial assets measured at fair value	15,190.4	8,919.9	2,879.1	3,391.4	15,190.4
Financial assets at amortized cost	41.9	-	-	41.9	41.9
Group financial assets, total	15,232.3	8,919.9	2,879.1	3,433.3	15,232.4

Financial liabilities at 31 Dec 2023, EUR million	Carrying amount	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value					
Derivative financial instruments					
Interest rate swaps	-	-	-	-	-
Foreign exchange derivatives	2.3	-	2.3	-	2.3
Total	2.3	-	2.3	-	2.3
Investment contract liabilities	8,529.3	-	8,529.3	-	8,529.3
Derivative financial instruments related to unit-linked insurance	3.8	-	3.8	-	3.8
Total financial liabilities at fair value	8,535.5	-	8,535.5	-	8,535.5
Financial liabilities measured at amortized cost					
Subordinated loans	249.8	244.0	-	-	244.0
Other liabilities	101.3	-	97.9	-	97.9
Financial liabilities measured at amortized cost total	351.1	244.0	97.9	-	342.0
Group financial liabilities, total	8,886.6	244.0	8,633.4	-	8,877.5

Derivative financial instruments

EUR million	2024			2023		
	Nominal amount	Fair value		Nominal amount	Fair value	
		Assets	Liabilities		Assets	Liabilities
Derivatives held for trading						
Interest rate derivatives	394.0	23.1	0.4	371.0	18.9	-
Currency derivatives	493.2	0.3	5.4	525.9	8.6	2.3
Derivatives held for trading total	887.2	23.4	5.9	896.9	27.4	2.3
Derivative financial instruments related to unit-linked insurance						
Interest rate derivatives	176.6	-	2.7	124.0	5.0	-
Credit derivatives	73.2	-	5.7	45.7	-	2.7
Currency derivatives	505.5	0.3	5.5	434.4	6.4	0.7
Equity derivatives	-	-	-	56.6	3.2	0.4
Derivative financial instruments related to unit-linked insurance total	755.3	0.3	13.9	660.6	14.6	3.8

Funds

EUR million	2024				2023			
	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
Funds valued at fair value through profit or loss								
Fund investments								
Equity funds	85.1	63.9	21.2	-	104.5	84.0	20.5	-
Interest rate funds	78.0	20.9	57.1	-	71.4	19.2	52.2	-
Alternative funds								
Private equity funds	269.5	-	-	269.5	260.6	-	-	260.6
Real estate funds	1.6	-	-	1.6	1.8	-	-	1.8
Other alternative funds	262.7	4.4	-	258.3	332.4	3.5	-	328.9
Total	697.0	89.3	78.2	529.5	770.6	106.7	72.7	591.2
Funds relating to unit-linked insurances								
Fund investments								
Equity funds	1,644.6	1,643.0	1.6	-	1,380.0	1,379.4	0.6	-
ETF funds	1,468.7	1,463.6	5.1	-	1,012.5	1,009.2	3.3	-
Interest rate funds	2,566.8	2,170.7	396.1	-	2,221.3	1,970.5	250.8	-
Mixed funds	2,497.4	1,729.9	767.5	-	2,257.1	1,586.4	670.7	-
Alternative investment funds								
Private equity funds	1,183.4	-	-	1,183.4	926.4	-	-	926.4
Real estate funds	655.0	-	-	655.0	618.0	-	-	618.0
Other alternative funds	1,146.5	-	-	1,146.5	1,094.9	-	-	1,094.9
Total	11,162.4	7,007.2	1,170.4	2,984.9	9,510.1	5,945.5	925.4	2,639.3

Changes between levels

EUR million	2024		2023	
	Transfer from level 2 to 1	Transfers from level 1 to 2	Transfer from level 2 to 1	Transfers from level 1 to 2
Financial assets related to unit-linked insurance				
Debt securities	2.2	4.0	14.4	7.1
Other financial assets				
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

The table below shows the valuation techniques used to determine the fair value of Level 2 and Level 3 items. The table summarises the most significant unobservable input data. 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 income increases (decreases) or if the discount rate is lower (higher). For other items information is not available.

Item	Valuation model	Significant unobservable input data
Unquoted equity investment	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
Private equity funds	<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).
Real estate funds	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 based 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.
Other alternative funds	<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.
Interest rate derivatives	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.
FX derivatives	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
Movements in level 3 financial instruments and reconciliation

EUR million	On 1 Jan	Total gains/ losses in P&L	Purchases and reclassifications	Sales	Settlements	Transfers from levels 1 and 2	Transfers to levels 1 and 2	On 31 Dec	Unrealised gains/losses included in P&L for financial assets
Financial assets 2024									
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
Total	675.8	6.3	324.5	-87.4	-4.7	-	-	914.5	7.4
Financial assets related to unit-linked insurance									
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
Total	2,715.6	108.3	556.5	-286.8	-	-	-	3,093.6	105.6
Total financial assets at fair value	3,391.4	114.6	881.0	-374.2	-4.7	-	-	4,008.1	113.0

EUR million	On 1 Jan	Total gains/ losses in P&L	Purchases and reclassifications	Sales	Settlements	Transfers from levels 1 and 2	Transfers to levels 1 and 2	On 31 Dec	Unrealised gains/losses included in P&L for financial assets
Financial assets 2023									
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
Total	623.4	-6.8	133.1	-73.4	-0.6	-	-	675.8	-3.9
Financial assets related to unit-linked insurance									
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
Total	2,452.7	13.9	586.0	-334.5	-2.5	-	-	2,715.6	11.0
Total financial assets at fair value	3,076.1	7.1	719.1	-407.9	-3.1	-	-	3,391.4	7.1

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 (+/-)
Financial assets				
Financial assets at fair value				
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
Total	914.5	-179.8	675.8	-131.5
Financial assets relating to unit-linked insurance				
Equity securities	74.6	-14.9	49.7	-9.9
Debt securities	34.2	-0.2	26.6	0.0
Funds	2,984.9	-597.0	2,639.3	-527.9
Total	3,093.6	-612.0	2,715.6	-537.8

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 per cent 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 per cent (6.6) in relation to the Group's equity would be fairly possible. Mandatum Group does not carry the investment risk relating to financial assets related to unit-linked insurance. However, sensitivity analysis of level 3 financial instruments includes the effect of reasonably possible alternative assumptions for unit-linked insurance financial assets.

19 INVESTMENTS RELATED TO UNIT-LINKED INSURANCE AND INVESTMENT CONTRACTS

Accounting policy see note 18.

EUR million	2024	2023
Financial assets designated at fair value through profit or loss		
Debt securities	1,103.9	996.2
Equity securities	11,868.8	10,144.6
Total	12,972.7	11,140.8
Loans and other receivables	319.5	484.5
Other financial assets	0.3	10.8
Investment related to unit-linked contracts, total	13,292.5	11,636.1

20 OTHER ASSETS

EUR million	2024	2023
Settlement receivables ¹	50.2	41.0
Interests ²	38.1	39.6
Assets pledged for trading in derivatives	31.6	26.8
Prepaid pensions	21.9	20.8
Receivables from policyholders	2.9	1.6
Receivables from investments and fees	1.5	1.8
Assets arising from reinsurance operations	0.7	0.5
Rental receivables on properties	0.3	0.3
Tax receivables	0.2	4.7
Receivables from associated companies	0.0	0.1
Other ³	14.5	15.0
Total	162.0	152.0

1) Settlement receivables consist of payments not yet received from the counterparty.

2) Interests mainly consist of interest receivables on derivatives.

3) Other consists of, for example, fees, trade receivables and accrued income.

21 CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalents comprise cash and short-term deposits (3 months).

EUR million	2024	2023
Cash at bank	850.4	738.4
Short-term deposits	40.0	-
Total	890.4	738.4

22 DEFERRED TAX ASSETS AND LIABILITIES

Accounting policy

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither the accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits against which they can be used will be available.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Changes in deferred tax during the financial period 2024

EUR million	Recognised in Profit or		
	1 Jan	Loss	31 Dec
Deferred tax assets			
Other deductible temporary differences	4.0	0.8	4.8
Total	4.0	0.8	4.8
Netting of deferred taxes	-	-	-4.8
Deferred tax assets	-	-	-
Deferred tax liabilities			
Depreciation differences and untaxed reserves	1.4	-0.1	1.4
Changes in fair values	64.5	-1.4	63.1
Other differences	78.9	-4.9	74.0
Total	144.8	-7.4	138.6
Netting of deferred taxes	-	-	-4.8
Total deferred tax liabilities	-	-	133.8

Changes in deferred tax during the financial period 2023

EUR million	Recognised in Profit or		
	1 Jan	Loss	31 Dec
Deferred tax assets			
Other deductible temporary differences	3.9	0.1	4.0
Total	3.9	0.1	4.0
Netting of deferred taxes	-	-	-4.0
Deferred tax assets	-	-	-
Deferred tax liabilities			
Depreciation differences and untaxed reserves	1.6	-0.2	1.4
Changes in fair values	66.7	-2.2	64.5
Other differences	95.8	-16.9	78.9
Total	164.1	-19.3	144.8
Netting of deferred taxes	-	-	-4.0
Total deferred tax liabilities	-	-	140.8

23 INSURANCE CONTRACT LIABILITIES

Accounting policy

Classification of insurance, reinsurance and investment contracts

Contracts are classified as insurance contracts if they transfer significant insurance risk between the policyholder and the insurer. Investment contracts that include the discretionary participation features are within the scope of IFRS 17. Reinsurance contracts are contracts held by the Group that allow the Group to receive insurance claims from another insurer if the Group itself becomes liable under other insurance contracts it has issued. Mandatum Group also holds contracts that are legally insurance contracts but do not include significant insurance risk or discretionary participation feature. These contracts are classified as "unit-linked investment contracts" and are measured in accordance with IFRS 9.

With-profit contracts are measured in accordance with IFRS 17 because of discretionary participation features. Unit-linked contracts are measured under IFRS 17 if they include significant insurance risk; otherwise they are measured in accordance with IFRS 9. Other than risk insurance contracts, the contracts measured in accordance with IFRS 17 may have a non-distinct investment component (NDIC). Mandatum has identified life insurance savings contracts that include distinct investment components that do not involve significant insurance risk. An investment component is distinct if its value is not dependent on the value of the insurance component and it could be or could have been sold as a separate contract.

Individual life insurance policies may include unit-linked savings and with-profit savings and these parts are measured as separate investment and insurance components. Pension insurance contracts issued before 1 January 2023, may have both a with-profit and a unit-linked part, in which case the contract is interpreted as two separate contracts and valued separately in accordance with IFRS 17 standard.

Level of aggregation

Under IFRS 17, insurance contracts are aggregated into portfolios of insurance contracts. A portfolio comprises contracts subject to similar risks and managed together. Portfolios are divided into annual cohorts consisting of contracts that were issued not more than one year apart.

Mandatum Group assigns risk policies, with-profit policies and unit-linked policies to separate portfolios.

At the transition and at initial recognition, Mandatum has only identified contracts which are expected to be non-onerous and have no significant possibility of becoming onerous subsequently. The number of policies that subsequently have a created loss component is immaterial.

Contract boundary

The initial measurement of a group of insurance contracts includes all the future cash flows arising within the contract boundary. In determining which cash flows fall within the contract boundary, substantive rights and obligations arising from the terms of the contract, as well as from applicable laws and regulations, are considered. The contract boundaries depend on the characteristics of the contracts and are consistent with the duration of the contract. In accordance with insurance legislation, Mandatum is unable to reprise the risk after issuing an insurance contract and therefore contract boundaries are long. However, some risk life insurance policies have an ancillary cover that is interpreted to be for one year.

Measurement

IFRS 17 introduces a general measurement model (GMM) applicable to all insurance contracts to measure insurance contract liabilities and a variable fee approach (VFA) applicable to direct participating insurance contracts. Under both measurement models, the carrying amount of insurance is the sum of future cash flows, adjusted to reflect the time value of money, a risk adjustment and a contractual service margin (CSM). CSM represents the expected unearned profit Mandatum recognises in profit and loss as it provides insurance contract services in the future. Mandatum applies GMM to with-profit policies and risk policies, and VFA is applied to unit-linked insurance contracts measured under IFRS 17.

An amount of the CSM release for a group of insurance contracts is recognised in P/L in each period to reflect the services provided under the group of insurance contracts in that period. The amount is determined by identifying coverage units in the group. The number of coverage units in a group is the quantity of coverage provided by the contracts in the group, determined by considering for each contract the quantity of benefits provided under the contract and their expected duration.

The measurement of insurance contract liabilities consists of liability for remaining coverage (LRC), and liability for incurred claims (LIC), including both reported but not settled claims and incurred but not reported claims.

Insurance acquisition cash flows arise from underwriting a group of insurance contracts and are considered when estimating the fulfilment cash flows. Insurance acquisition cash flows are determined at inception of the group of insurance contracts, and they are considered directly attributable to a portfolio and are allocated to insurance contracts. Where actual and expected acquisition cash flows are not equal at the end of the reporting period, an experience variance is recognised in the income statement.

When certain eligibility criteria are met, insurers may apply a simplified approach, i.e. the premium allocation approach (PAA), for the measurement of insurance contracts. PAA is eligible for insurance contracts with a coverage period of one year or less. This approach is also available for contracts in which the PAA would not materially differ from the results of the GMM. Mandatum applies the PAA model to reinsurance contracts held.

Discounting

In all applied measurement models, discounting adjusts the expected cash flows to reflect the time value of money.

Mandatum has determined the discount rates based on a top-down approach in which a theoretical reference portfolio of assets is used to define the applicable discount curve. For insurance contracts without a direct participation feature, a so-called locked-in rate is applied, meaning a discount rate applied in the accretion of CSM determined at initial recognition.

The same discount rate curve, taking into account an illiquidity premium, is applied to all portfolios. Based on the liquidity characteristics of the insurance contracts, the chosen theoretical reference portfolio for deriving an illiquidity-containing discount curve consists of euro-denominated BBB-rated fixed coupon corporate bonds. Extrapolation is produced based on assumptions of ultimate risk-free forward rates, consistent with the EIOPA curve.

The unwinding of interest rates, the effect of changes in interest rates, and other financial assumptions are presented as insurance finance income or expenses in profit or loss. Mandatum has elected not to apply the OCI option allowed under IFRS 17.

The table below contains the discount rates used for calculating expected cash flows:

	31 Dec 2024	31 Dec 2023
1 year	2.386%	3.401%
5 years	2.491%	2.615%
10 years	2.926%	2.882%
15 years	3.241%	3.160%
20 years	3.458%	3.395%
25 years	3.556%	3.525%
30 years	3.577%	3.571%
50 years	3.513%	3.567%

Risk adjustment

IFRS 17 introduces an explicit risk adjustment (RA) included in the measurement of insurance contract liabilities. The RA reflects the cost of uncertainty associated with the amount and timing of cash flows arising from non-financial risk and the degree of risk aversion. RA is determined separately for all portfolios. RA is calculated by applying a confidence level approach, and the confidence level applied in calculating the risk adjustment is 85 per cent. The following risks are considered in RA: mortality, longevity, disability (including permanent disability), lapse, and expense risk. Mandatum has measured RA as a part of LRC. Based on the short period of settlement of the incurred claims, Mandatum Group does not define explicit RA as a part of LIC.

General measurement model (GMM)

On initial recognition, the group of insurance contracts is measured at the total of the fulfilment cash flows (FCF), comprising estimates of future cash flows, discounting and risk adjustment for non-financial risk. The CSM is added to the fulfilment cash flows.

Estimates of future cash flows are based on cash flow projections and are estimated until the maturity of the contract. Only risk policies without death cover or permanent disability cover are short-term (one year insurance term) contracts. Cash flows are estimated for every reporting period, and assumptions are updated yearly, or more often, if needed. The locked-in rate is applied for the accretion of CSM.

In the subsequent reporting periods, the amount of insurance contract liabilities is the sum of the liability for LRC, consisting of the present value of future cash flows for services that will be provided during future periods, RA, the remaining CSM at that date, and LIC.

Variable fee approach (VFA)

The variable fee approach represents a modification of the GMM. In subsequent measurement periods, instead of using the locked-in rate, CSM is adjusted to reflect the variable nature of the fees, representing the amount of the entity's share of the fair value of the underlying items.

Mandatum applies the VFA to unit-linked pension insurance contracts sold before 1 January 2023, where the amount of savings in the insurance contract is based, among other things, on the values of the units selected in the contract. In the income statement, the financial income and expenses related to these insurance contracts consist of changes in the market values of the units, and other changes due to financial assumptions or the market environment affect the CSM and, consequently, the insurance service result. For the GMM, changes in financial assumptions and the market environment are presented in financial income and expenses.

Analysis of the change in the insurance contract liability divided into the remaining liability for the policy period and the liability arising from past events

The tables below show how the net value of the insurance contract liabilities changed during the period due to the amounts recognised in profit or loss and the cash flows generated. The analysis of changes is performed for the liabilities for remaining coverage and liabilities for incurred claims. The analyses of changes in insurance contract liabilities are presented separately for contracts measured according to the GMM and VFA measurement models.

Analysis of changes in insurance contract liabilities for contracts valued under GMM

EUR million	31 Dec 2024				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Net liabilities (or assets) excluding loss component	Loss component			
Opening balance - liabilities relating to insurance contracts	2,459.8	16.5	18.0		2,494.3
Opening balance - assets relating to insurance contracts	-20.3	0.5	4.7		-15.1
Net opening balance on 1 Jan, GMM	2,439.5	17.0	22.7		2,479.2
Insurance revenue	-284.0	-	-		-284.0
Insurance service expenses					
Incurred claims and other insurance service expenses	-	-2.4	236.4		234.0
Adjustment to liabilities for incurred claims	-	-	2.0		2.0
Losses and reversal of losses on onerous contracts	-	-2.9	-		-2.9
Amortisations of insurance acquisition cash flows	18.3	-	-		18.3
Insurance service result	-265.6	-5.4	238.4		-32.7
Finance income or expenses from insurance contracts	68.7	0.1	-		68.8
Changes in the statement of profit or loss	-196.9	-5.3	238.4		36.1
Total amounts recognised in comprehensive income	-71.9	-	71.9		-
Cash flows during the period					
Premium received	126.2	-	-		126.2
Claims and other insurance service expenses paid	-	-	-314.9		-314.9
Insurance acquisition cashflows	-5.6	-	-		-5.6
Total cash flows during the period	120.6	-	-314.9		-194.3
Net closing balance					
Closing balance - liabilities relating to insurance contract	2,296.1	11.7	14.3		2,322.1
Closing balance - assets relating to insurance contract	-4.8	-	3.7		-1.1
Net closing balance on 31 Dec, GMM	2,291.3	11.7	18.0		2,321.0

31 Dec 2023

EUR million	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Net liabilities (or assets) excluding loss component	Loss component		
Opening balance - liabilities relating to insurance contracts	2,537.3	0.0	19.2	2,556.5
Opening balance - assets relating to insurance contracts	-10.4	0.5	3.6	-6.2
Net opening balance on 1 Jan, GMM	2,526.9	0.5	22.8	2,550.3
Insurance revenue	-284.5	-	-	-284.5
Insurance service expenses				
Incurred claims and other insurance service expenses	-	-2.5	247.0	244.5
Adjustment to liabilities for incurred claims	-	-	1.8	1.8
Losses and reversal of losses on onerous contracts	-	19.0	-	19.0
Amortisations of insurance acquisition cash flows	11.4	-	-	11.4
Insurance service result	-273.1	16.5	248.8	-7.8
Finance income or expenses from insurance contracts	137.6	0.0	-	137.6
Changes in the statement of profit or loss	-135.5	16.5	248.8	129.8
Total amounts recognised in comprehensive income	-74.2	-	74.2	0.0
Cash flows during the period				
Premium received	127.0	-	-	127.0
Claims and other insurance service expenses paid	-	-	-323.2	-323.2
Insurance acquisition cashflows	-4.8	-	-	-4.8
Total cash flows during the period	122.2	-	-323.2	-200.9
Net closing balance				
Closing balance - liabilities relating to insurance contract	2,459.8	16.5	18.0	2,494.3
Closing balance - assets relating to insurance contract	-20.3	0.5	4.7	-15.1
Net closing balance on 31 Dec, GMM	2,439.5	17.0	22.7	2,479.2

Analysis of changes in insurance contract liabilities for contracts valued under VFA

EUR million	31 Dec 2024				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Net liabilities (or assets) excluding loss component	Loss component			
Opening balance - liabilities relating to insurance contracts	3,020.8	-	3.2		3,024.0
Opening balance - assets relating to insurance contracts	-	-	-		-
Net opening balance on 1 Jan, VFA	3,020.8	-	3.2		3,024.0
Insurance revenue	-53.3	-	-		-53.3
Insurance service expenses					
Incurred claims and other insurance service expenses	-	-	15.7		15.7
Adjustment to liabilities for incurred claims	-	-	0.1		0.1
Losses and reversal of losses on onerous contracts	-	-	-		-
Amortisations of insurance acquisition cash flows	7.3	-	-		7.3
Insurance service result	-46.0	-	15.9		-30.1
Finance income or expenses from insurance contracts	362.0	-	-		362.0
Changes in the statement of profit or loss	316.0	-	15.9		331.9
Investment component	-149.1	-	149.1		-
Cash flows during the period					
Premium received	127.1	-	-		127.1
Claims and other insurance service expenses paid	-	-	-164.4		-164.4
Insurance acquisition cash flows	-	-	-		-
Total cash flows during the period	127.1	-	-164.4		-37.3
Net closing balance					
Closing balance - liabilities relating to insurance contract	3,314.9	-	3.7		3,318.5
Closing balance - assets relating to insurance contract	-	-	-		-
Net closing balance on 31 Dec, VFA	3,314.9	-	3.7		3,318.5

31 Dec 2023

EUR million	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Net liabilities (or assets) excluding loss component	Loss component		
Opening balance - liabilities relating to insurance contracts	2,757.8	3.6	2.4	2,763.8
Opening balance - assets relating to insurance contracts	-	-	-	-
Net opening balance on 1 Jan, VFA	2,757.8	3.6	2.4	2,763.8
Insurance revenue	-53.7	-	-	-53.7
Insurance service expenses				
Incurred claims and other insurance service expenses	-	-0.5	17.7	17.2
Adjustment to liabilities for incurred claims	-	-	0.3	0.3
Losses and reversal of losses on onerous contracts	-	-3.1	-	-3.1
Amortisations of insurance acquisition cash flows	7.9	-	-	7.9
Insurance service result	-45.8	-3.6	18.0	-31.3
Finance income or expenses from insurance contracts	303.5	-	-	303.5
Changes in the statement of profit or loss	257.7	-3.6	18.0	272.2
Investment component	-129.3	-	129.3	0.0
Cash flows during the period				
Premium received	134.6	-	-	134.6
Claims and other insurance service expenses paid	-	-	-146.5	-146.5
Insurance acquisition cash flows	-	-	-	-
Total cash flows during the period	134.6	-	-146.5	-12.0
Net closing balance				
Closing balance - liabilities relating to insurance contract	3,020.8	-	3.2	3,024.0
Closing balance - assets relating to insurance contract	-	-	-	-
Net closing balance on 31 Dec, VFA	3,020.8	-	3.2	3,024.0

The following tables show how the net carrying amounts of life insurance contracts changed during the period as a result of amounts recognised in the statement of profit or loss and cash flows. The table analyses movements in liability components. These analyses are presented separately for contracts measured according to the GMM and VFA measurement models.

Analysis of changes in insurance contract liabilities by liability component for contracts measured according to GMM

	31 Dec 2024			
EUR million	Estimation of present value of future cash flows	Risk adjustment for non- financial risk	CSM	Total
Opening balance - liabilities relating to insurance contracts	2,399.2	33.0	62.1	2,494.3
Opening balance - assets relating to insurance contracts	-105.1	5.8	84.2	-15.1
Net opening balance on 1 Jan, GMM	2,294.1	38.9	146.2	2,479.2
Changes that relate to current services				
CSM recognised in profit or loss	-	-	-26.3	-26.3
Change in risk adjustment for non-financial risk for risk expired	-	-4.3	-	-4.3
Experience adjustments	-1.1	-	-	-1.1
Changes that relate to future services				
Changes in estimates that adjust the CSM ¹	-30.9	5.3	25.6	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
Changes that relate to past services				
Adjustments to liabilities for incurred claims	2.0	-	-	2.0
Insurance service result	-47.0	2.6	11.7	-32.7
Finance income or expenses from insurance contracts	66.7	0.6	1.5	68.8
Changes in the statement of profit or loss	19.7	3.2	13.2	36.1
Total cash flows	-194.3	-	-	-194.3
Net closing balance				
Closing balance - liabilities relating to insurance contracts	2,209.0	34.0	79.1	2,322.1
Closing balance - assets relating to insurance contracts	-89.5	8.1	80.3	-1.1
Net closing balance on 31 Dec, GMM	2,119.5	42.1	159.4	2,321.0

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

31 Dec 2023					
EUR million	Estimation of present value of future cash flows	Risk adjustment for non- financial risk	CSM	Total	
Opening balance - liabilities relating to insurance contracts	2,372.7	38.5	145.3	2,556.5	
Opening balance - assets relating to insurance contracts	-80.8	5.6	68.9	-6.2	
Net opening balance on Jan 1, GMM	2,291.9	44.1	214.2	2,550.3	
Changes that relate to current services					
CSM recognised in profit or loss	-	-	-20.4	-20.4	
Change in risk adjustment for non-financial risk for risk expired	-	-8.0	-	-8.0	
Experience adjustments	-0.2	-	-	-0.2	
Changes that relate to future services					
Changes in estimates that adjust the CSM1	68.8	-3.4	-65.5	0.0	
Changes in estimates that result in losses and reversal of losses on onerous contracts	19.6	-0.7	-	19.0	
Contracts initially recognised in the period	-18.2	2.3	15.9	0.0	
Changes that relate to past services					
Adjustments to liabilities for incurred claims	1.8	-	-	1.8	
Insurance service result	71.9	-9.7	-69.9	-7.8	
Finance income or expenses from insurance contracts	131.2	4.5	1.9	137.6	
Changes in the statement of profit or loss	203.1	-5.2	-68.0	129.8	
Total cash flows	-200.9	-	-	-200.9	
Net closing balance					
Closing balance - liabilities relating to insurance contracts	2,399.2	33.0	62.1	2,494.3	
Closing balance - assets relating to insurance contracts	-105.1	5.8	84.2	-15.1	
Net closing balance on 31 Dec, GMM	2,294.1	38.9	146.2	2,479.2	

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

Analysis of changes in insurance contract liabilities by liability component for contracts measured according to VFA

EUR million	31 Dec 2024			
	Estimation of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
Opening balance - liabilities relating to insurance contracts	2,699.1	10.5	314.4	3,024.0
Opening balance - assets relating to insurance contracts	-	-	-	-
Net opening balance on 1 Jan, VFA	2,699.1	10.5	314.4	3,024.0
Changes that relate to current services				
CSM recognised in profit or loss	-	-	-27.1	-27.1
Change in risk adjustment for non-financial risk for risk expired	-	-0.9	-	-0.9
Experience adjustments	-2.3	-	-	-2.3
Changes that relate to future services				
Changes in estimates that adjust the CSM ¹	218.1	0.9	-219.0	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	-	-	-	-
Contracts initially recognised in the period	-	-	-	-
Changes that relate to past services				
Adjustments to liabilities for incurred claims	0.1	-	-	0.1
Insurance service result	216.0	-	-246.1	-30.1
Finance income or expenses from insurance contracts	90.9	0.3	270.8	362.0
Changes in the statement of profit or loss	306.8	0.4	24.7	331.9
Total cash flows	-37.3	-	-	-37.3
Net closing balance				
Closing balance - liabilities relating to insurance contracts	2,968.6	10.9	339.0	3,318.5
Closing balance - assets relating to insurance contracts	-	-	-	-
Net closing balance on 31 Dec, VFA	2,968.6	10.9	339.0	3,318.5

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

31 Dec 2023				
EUR million	Estimation of present value of future cash flows	Risk adjustment for non- financial risk	CSM	Total
Opening balance - liabilities relating to insurance contracts	2,500.9	9.0	253.8	2,763.8
Opening balance - assets relating to insurance contracts	-	-	-	-
Net opening balance on 1 Jan, VFA	2,500.9	9.0	253.8	2,763.8
Changes that relate to current services				
CSM recognised in profit or loss	-	-	-25.5	-25.5
Change in risk adjustment for non-financial risk for risk expired	-	-0.7	-	-0.7
Experience adjustments	-2.3	-	-	-2.3
Changes that relate to future services				
Changes in estimates that adjust the CSM ¹	139.0	1.4	-140.4	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	-3.1	0.0	-	-3.1
Contracts initially recognised in the period	-	-	-	-
Changes that relate to past services				
Adjustments to liabilities for incurred claims	0.3	-	-	0.3
Insurance service result	133.9	0.7	-165.9	-31.3
Finance income or expenses from insurance contracts	76.3	0.7	226.5	303.5
Changes in the statement of profit or loss	210.2	1.4	60.5	272.2
Total cash flows	-12.0	-	-	-12.0
Net closing balance				
Closing balance - liabilities relating to insurance contracts	2,699.1	10.5	314.4	3,024.0
Closing balance - assets relating to insurance contracts	-	-	-	-
Net closing balance on 31 Dec, VFA	2,699.1	10.5	314.4	3,024.0

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

24 INSURANCE CONTRACTS RECOGNISED IN THE PERIOD

Mandatum's new business, measured according to the GMM measurement model, consist of life risk insurance policies. In the financial years 2024 and 2023, there were no new contracts measured according to the VFA measurement model. The new business of unit-linked policies from 1 January 2023, are measured in accordance with IFRS 9 due to changes in terms and conditions.

The tables below present the new contracts initially recognised during the period. Mandatum did not recognise onerous contracts issued in the financial period or in the comparative period.

EUR million	Non-onerous contracts originated	Total
31 Dec 2024		
Claims and other insurance service expenses payable	20.1	20.1
Insurance acquisition cash flow	4.4	4.4
Estimates of present value of cash outflows	24.6	24.6
Estimates of present value of cash inflows	-38.3	-38.3
Risk adjustment for non-financial risk	1.4	1.4
CSM	12.4	12.4
Losses recognised on initial recognition GMM	0.0	0.0
31 Dec 2023		
Claims and other insurance service expenses payable	20.7	20.7
Insurance acquisition cash flow	3.4	3.4
Estimates of present value of cash outflows	24.2	24.2
Estimates of present value of cash inflows	-42.4	-42.4
Risk adjustment for non-financial risk	2.3	2.3
CSM	15.9	15.9
Losses recognised on initial recognition, GMM	0.0	0.0

25 EXPECTED RECOGNITION OF THE REMAINING CSM

The note describing the releasing of the contractual service margin (CSM) describes when Mandatum Group expects to recognise the remaining CSM in insurance revenue. The amount of CSM to be released in each period is calculated according to the changes in the coverage units in the group of insurance contracts, with the CSM being allocated pro rata between current and future coverage units. The note does not take into account future interest accrual on CSM or any other future changes that may affect the amount of CSM recognised in insurance revenue in future periods. This note illustrates the releasing of the CSM recognised in the balance sheet at the reporting date and cannot be regarded as an estimate of future reporting periods.

The tables below present the expected recognition of the remaining CSM separately for contracts measured according to the GMM and VFA measurement models.

EUR million	GMM	VFA	Total
31 Dec 2024			
1 year	16.2	28.2	44.4
2 years	12.2	26.8	39.0
3 years	11.1	25.4	36.4
4 years	10.4	23.9	34.3
5 years	9.8	22.4	32.2
6-10 years	40.9	90.6	131.5
Over 10 years	58.9	121.8	180.7
Total	159.4	339.0	498.5

EUR million	GMM	VFA	Total
31 Dec 2023			
1 year	25.5	27.0	52.5
2 years	11.1	25.7	36.8
3 years	10.1	24.1	34.2
4 years	9.1	22.6	31.7
5 years	8.5	21.0	29.5
6-10 years	34.3	83.7	118.0
Over 10 years	47.7	110.3	158.0
Total	146.2	314.4	460.6

26 RECONCILIATION OF THE CSM BY TRANSITION METHOD

Accounting policy

At transition, Mandatum measured contracts applying different transition methods.

Under the full retrospective approach, Mandatum has identified, recognised, and measured each group of insurance contracts as if IFRS 17 had always been applied and derecognised any amounts that would not have existed if IFRS 17 had always been applied. The difference arising at transition was recognised in retained earnings.

Mandatum has applied the modified retrospective approach and the fair value approach when it has not been practicable to apply the full retrospective approach. For example, the limitations of historical data have not allowed for a full retrospective approach. The choice of the transitional approach has been based on the characteristics of the products or portfolios, the date of issue and the data available.

When applying the fair value approach, Mandatum has determined the contractual service margin or loss component at the transition date as the difference between the fair value and the fulfilment cash flows of the group of insurance contracts.

The tables below present the CSM reconciliation by transition method for contracts measured separately according to the GMM and VFA measurement models. Policies issued after the transition date are presented together with the policies for which the full retrospective transition method is applied.

2024					
EUR million	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the modified retrospective approach at transition	Contracts measured under the fair value approach at transition	Total	
Opening CSM, GMM	52.5	78.5	15.2	146.2	
CSM recognised in the profit & loss for the services provided	-15.5	-9.3	-1.5	-26.3	
Changes in estimates that adjust the CSM ¹	-1.5	25.6	1.4	25.6	
Effects of contracts initially recognised in period	12.4	-	-	12.4	
Finance expenses from insurance contracts issued	0.6	1.0	-	1.5	
Other	-	-	-	-	
Total amount of changes	-4.1	17.3	-	13.2	
Closing CSM, GMM	48.4	95.9	15.2	159.4	

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

2023					
EUR million	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the modified retrospective approach at transition	Contracts measured under the fair value approach at transition	Total	
Opening CSM, GMM	57.6	104.8	51.8	214.2	
CSM recognised in the profit & loss for the services provided	-5.6	-13.5	-1.3	-20.4	
Changes in estimates that adjust the CSM ¹	-15.7	-14.5	-35.3	-65.5	
Effects of contracts initially recognised in period	15.9	-	-	15.9	
Finance expenses from insurance contracts issued	0.3	1.7	-0.1	1.9	
Other	-	-	-	-	
Total amount of changes	-5.1	-26.3	-36.6	-68.0	
Closing CSM, GMM	52.5	78.5	15.2	146.2	

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

2024					
EUR million	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the modified retrospective approach at transition	Contracts measured under the fair value approach at transition	Total	
Opening CSM, VFA	28.5	282.8	3.0	314.4	
CSM recognised in the profit & loss for the services provided	-1.2	-25.3	-0.5	-27.1	
Changes in estimates that adjust the CSM ¹	0.7	-197.9	-21.8	-219.0	
Effects of contracts initially recognised in period	-	-	-	-	
Finance expenses from insurance contracts issued	9.5	237.1	24.2	270.8	
Other	-	-	-	-	
Total amount of changes	9.0	13.9	1.8	24.7	
Closing CSM, VFA	37.4	296.7	4.9	339.0	

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

2023					
EUR million	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the modified retrospective approach at transition	Contracts measured under the fair value approach at transition	Total	
Opening CSM, VFA	16.0	237.7	0.2	253.8	
CSM recognised in the profit & loss for the services provided	-0.9	-24.3	-0.3	-25.5	
Changes in estimates that adjust the CSM ¹	7.4	-128.3	-19.5	-140.4	
Effects of contracts initially recognised in period	-	-	-	-	
Finance expenses from insurance contracts issued	6.0	197.8	22.7	226.5	
Other	-	-	-	-	
Total amount of changes	12.5	45.1	2.9	60.5	
Closing CSM, VFA	28.5	282.8	3.0	314.4	

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

27 INVESTMENT CONTRACT LIABILITIES

The table below shows how the net carrying amounts of investment contracts liabilities under IFRS 9 changed during the period as a result of amounts recognised in the statement of profit or loss and cash flows. Investment contract liability is measured at fair value through profit or loss and therefore corresponds to the surrender value of the contracts.

Fee income related to investment contracts has been recognised on a straight-line basis as the service is provided.

EUR million	2024	2023
Opening balance - investment contract liabilities	8,529.3	7,107.0
Amounts recognised in profit or loss		
Investment return on underlying items	831.8	656.6
Fees deducted	-61.7	-52.8
Total cash flows		
Contribution received ¹	1,435.0	1,421.5
Benefits paid	-826.2	-602.9
Closing balance - investment contract liabilities	9,908.2	8,529.3

1) Includes transfers from WIP

28 SUBORDINATED DEBT AND OTHER FINANCIAL LIABILITIES

Financial liabilities include liabilities from derivative contracts, debt securities issued and other financial liabilities.

EUR million				2024	2023
Subordinated debt securities					
Subordinated loans	Loan period	Interest	Covenant		
Subordinated loan 2019 (Solvency II Tier 2, nominal value EUR 250 million)	30 years	Fixed interest 1.875 % until 4 Oct 2024	n/a	-	249.8
Subordinated loan 2024 (Solvency II Tier 2, nominal value EUR 300 million)	15.25 years (until 4 Dec 2039)	Fixed interest 4.5 % until 4 Dec 2029	none	298.8	-
		Thereafter 3-month Euribor + Floating Rate Margin 205 bps until 4 Dec 2034			
		Thereafter 3-moth Euribor + Floating Rate Margin 305 bps			
Subordinated loans total				298.8	249.8
Other financial liabilities				300.9	101.3
Other liabilities	7 years (until 27 Sep 2030)	Interest 0-3.75 %	none	90.0	101.3
	until 30 May 2025			11.2	-
Loans from financial institutions	2 years (until 8 May 2026)	3-month Euribor + 90 bps	Solvency margin of Mandatum Group and Mandatum Life Insurance Company over 150 %, reviewed every 3 months	199.9	-
Derivative financial instruments				19.7	2.3
Total financial liabilities				320.6	103.6
Lease liabilities ¹				21.3	23.0
Total				640.7	376.5

1) Lease liabilities are included in Other liabilities, note 29

Interest-bearing liabilities

EUR million	Subordinated debts	Other interest-bearing liabilities	Derivatives	Lease liability	Total
Opening balance at 1 Jan 2023	349.6	-	2.6	21.0	373.3
New issues	-	101.3	-	3.6	104.9
Repayments	-99.8	-	-	-1.6	-101.4
Other changes	-	-	-0.3	-	-0.3
Closing balance at 31 Dec 2023	249.8	101.3	2.3	23.0	376.5

EUR million	Subordinated debts	Other interest-bearing liabilities	Derivatives	Lease liability	Total
Opening balance at 1 Jan 2024	249.8	101.3	2.3	23.0	376.5
New issues	298.8	199.7	17.4	-	515.9
Repayments	-249.0	-0.1	-	-1.7	-250.9
Other changes	-0.8	-	-	-	-0.8
Closing balance at 31 Dec 2024	298.8	300.9	19.7	21.3	640.7

29 OTHER LIABILITIES

EUR million	2024	2023
Settlement liabilities ¹	26.9	63.7
Guarantees received ²	25.7	31.4
Lease liabilities ³	21.3	23.0
Fees and social charges	20.0	20.5
Withholding tax of claims	10.7	10.6
Interests	8.1	7.2
Holiday pay accruals	8.0	9.0
Income tax liability	3.7	4.2
Liabilities arising out of direct insurance operations	2.9	3.9
Commissions	2.9	1.6
Accounts payable	2.3	3.2
Rental deposits	1.1	1.1
Liabilities arising out of reinsurance operations	0.5	0.3
Other liabilities ⁴	13.8	20.8
Total	148.0	200.5

1) Settlement liabilities consist of payment not yet paid to the counterparty.

2) Guarantees received comprise assets accepted as guarantees required in derivative trading and securities lending.

3) Lease liabilities include non-cash additions from IFRS 16 leases to the balance sheet items.

4) Other includes, e.g. VAT payables and withholding tax of salaries.

EUR million	2024	2023
Items recognised in profit or loss for the period of lease liabilities		
Interest expenses	-0.5	-0.3
Expenses from short-term and low-value lease liabilities	-0.8	-1.2

30 CONTINGENT LIABILITIES AND COMMITMENTS AND LEGAL PROCEEDINGS

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

Of the remaining private equity fund commitments, EUR 1,897 (1,843) million relates to the investments related to unit-linked insurance and EUR 249 (164) million relates to the With-profit business.

Assets pledged as collateral are included in the balance sheet item Other assets.

There are no material or significant legal proceedings against Mandatum Group outstanding on 31 December 2024.

31 EQUITY AND RESERVES

Equity

The number of shares at 1 January 2024 was 501,796,752 and at 31 December 2024 502,696,752. The number of shares increased by 900,000 shares due to a directed employee share issue. The shares do not have nominal value. The company's share capital is EUR 0.1 million. At the end of the financial year, no own shares were held by Group companies.

Reserves and Retained Earnings

Invested unrestricted equity fund

The fund includes other investments of an equity nature and the subscription price of shares to the extent that it is not explicitly included in the share capital.

32 RELATED PARTY DISCLOSURES

Accounting policy

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

The Group's subsidiaries are listed in note 35 Investments in subsidiaries and the associates in note 17 Investments in associates.

Intra-group transactions, assets and liabilities, profits and losses are eliminated upon consolidation. Related party transactions are therefore presented as transactions that are not eliminated in the preparation of the consolidated financial statements.

The next tables show the compensation paid to key management personnel of Mandatum Group.

EUR million	2024	2023
Remuneration of the Board of Directors		
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	-
Total	1.3	0.1

Remuneration of the Board of Directors is reported on payment basis.

EUR million	2024	2023
Remuneration of Chief Executive Officer		
Short-term employee benefits	0.5	0.4
Post-employment benefits	0.4	0.2
Share-based payments	1.0	0.6
Total	1.9	1.2

EUR million	2024	2023
Remuneration of key management personnel (excl. CEO)		
Short-term employee benefits	1.8	1.5
Post-employment benefits	0.4	0.4
Share-based payments	1.7	1.2
Total	3.9	3.1

Mandatum Group's related parties have insurance and asset and wealth management contracts on normal terms and conditions, which are not significant.

The key management does not have any loans from the Mandatum group companies. Mandatum Group has no related party transactions with associates.

Related party transactions

EUR million	2024	2023
Related party transactions		
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
Receivables	-	0.1
Liabilities	-	0.1

Transactions during financial year ending 31 December 2024

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

Transactions during financial year ending 31 December 2023

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

33 INCENTIVE SCHEMES

Accounting principle

Mandatum Group has share-based incentive schemes where payments are made to employees in shares and the withholding tax obligations of share rewards are paid in cash (long-term incentive scheme 2024). For the long-term incentive scheme 2020, payments are made in cash. The benefits granted in the schemes are measured at fair value at the grant date and expensed in the income statement in equal instalments over the vesting period.

The fair value of the benefit paid in shares is the market price of the share at the time of grant. Share-based benefits paid as equity instruments are not revalued and an increase corresponding to the expense is recorded in equity. Share reward schemes are treated entirely as equity-settled arrangements and the expense is recorded based on the gross number of shares, despite the fact that the employee ultimately receives net shares and the group pays the portion required to cover withholding tax obligations in cash to the tax authorities.

Cash-settled share-based payment is measured at fair value at the end of each financial year until the settlement date and is recognised as a liability in the balance sheet. The amount to be recognised as an expense for the benefits is based on the group's estimate of the amount of benefits to be paid at the end of the vesting period.

Market-based conditions and other than earning conditions are taken into account when determining the fair value of the benefit. However, non-market-based conditions, which are based on business performance or sustainability goals, are not taken into account when determining the fair value of the benefit, but they affect the estimate of the final amount of benefits. The group updates the assumption of the final amount of benefits at each balance sheet date and records changes in estimates in the profit or loss statement.

Long-term incentive scheme 2024

The Board of Directors of Mandatum plc has on 19 March 2024 decided to establish a new, performance- and share-based long-term incentive scheme for the Group Management Team (including the Group CEO) and selected key employees.

The purpose of the long-term incentive scheme is to align the objectives of the shareholders and key employees in order to increase the company's shareholder value in the long term, to

commit the key employees to implementing the company's strategy and to reward for excellent performance.

The Performance Share Plan consists of annually commencing individual share plans, each of which includes a three-year performance period and a potential share reward to be paid thereafter, taking into account any deferral and/or transfer restriction of rewards due to regulations applicable to Mandatum Group. The commencement of each individual plan within the Performance Share Plan structure is subject to a separate decision by Mandatum plc's Board of Directors.

The performance period of the first plan launched under the Performance Share Plan structure covers the financial years 2024-2026. In addition, the Board of Directors of Mandatum plc has decided on the establishment of a transition phase share-based incentive plan.

Its purpose is to incentivise and commit the target group of the plan during the transition phase between Sampo plc's long-term incentive plan 2020 and Mandatum's first own share-based incentive plan. The performance period of the transition phase plan covers the financial years 2024-2025.

The payment of the reward based on the plans is conditional on the achievement of the performance targets set by the Board of Directors for the respective plan. The performance measures based on which the potential share rewards based on the plans will be paid are the absolute total shareholder return of the company's share (Absolute TSR), a profitability related measure (performance of Mandatum's capital-light business) and a selected sustainability target.

The rewards potentially earned based on the incentive plans will be paid in Mandatum plc's shares. Mandatum is, however, entitled to pay the reward fully in cash in certain situations. Mandatum applies a share ownership recommendation to the members of the Group Management Team (including the Group CEO), according to which each member of the Group Management Team is expected to retain in his/her ownership at least half of the shares received under the company's share-based incentive plans until the value of his/her shareholding in the company corresponds to at least his/her gross annual base salary.

Long-term incentive schemes details:

EUR million	Transition phase share plan 2024-2025	Performance Share Plan 2024-2026
Grant date	28.3.2024	2.4.2024
Performance period starts	1.1.2024	1.1.2024
Performance period ends	31.12.2025	31.12.2026
Vesting conditions	Employment until payment, no notice given by employee nor employer. Threshold values for program KPIs exceeded.	Employment until payment, no notice given by employee nor employer. Threshold values for program KPIs exceeded.
Vesting date	Earliest possible date after publication of fiscal year results and approval of incentive awards, 30 April 2026 at the latest.	Earliest possible date after publication of fiscal year results and approval of incentive awards, 30 April 2027 at the latest.
Persons at the end of the financial year	22	42
Settlement method	Shares	Shares
Total cost for the financial period	0.7	0.7
Number of shares allocated (1,000 shares)	1,113	1,474
Changes during the period (1,000 shares)	-145	-48
Outstanding number of shares at the of the financial year (1,000 shares)	968	1,426
Maximum number of shares to be granted (1,000 shares)	1,363	1,724

The Board of Directors has, in addition, decided on 19 March 2024 to establish a Restricted Share Plan structure. It is intended to be used as a complementary share-based incentive and commitment program in specific situations, such as in case of new recruitments.

The Restricted Share Plan consists of annually commencing individual restricted share plans. Each plan includes a restriction period, which covers three calendar years in total, during which the company may grant fixed share rewards to individually selected key employees.. The commencement of each individual plan within the Restricted Share Plan structure is subject to a separate decision by Mandatum plc's Board of Directors. The first plan within the Restricted Share Plan structure covers the financial years 2024-2026. The share rewards based on the plan will be paid to the participants in Mandatum plc's shares. The aggregate maximum number of shares to be paid based on the first plan of the Restricted Share Plan structure is 172,400 Mandatum plc shares (referring to a gross amount of rewards, from which the applicable payroll tax is withheld before share delivery).

The value of the rewards to be paid under the plans described above is limited by a pay cap linked to share price development.

Fair value of the incentive schemes is estimated by using the Monte Carlo simulation model.

Long-term incentive scheme 2020

Following the partial demerger of Sampo plc in 2023 and the listing of Mandatum plc's share on Nasdaq Helsinki, Mandatum's Board of Directors decided, in order to engage Mandatum Group's key personnel and the Group CEO, that the persons concerned will remain in Sampo's long-term incentive scheme 2020. The incentive scheme was launched in August 2020 and its terms were amended in September 2023.

Bonus units have been allocated in three allocations, the first in 2020 (2020:1) and the next in 2021 (2020:1/2) and 2022 (2020:1/3). Any incentive bonus will be paid in three annual instalments. The first payment of the first allocation (2020:1) has paid in September 2023, before the implementation of the demerger. Subsequent payments will be due in 2024 and 2025. Payments for the second (2020:1/2) and third (2020:1/3) allocation will be due in 2024-2026 and 2025-2027 respectively.

The value of the calculated bonus unit in 2024 was the trade-weighted average price of Sampo A share and Mandatum plc share at the time period specified in the terms and conditions of the incentive scheme and reduced by the dividend-adjusted starting price. In addition, Sampo Group's return on the risk adjusted capital (ROCaR) was taken into account when calculating the performance-related bonus. If the ROCaR is at least risk-free return +5 per cent, the bonus is paid in full. If the ROCaR is at least risk-free return +3 per cent but less than risk free return +5 per cent, half of the bonus is paid. If the ROCaR is less than risk-free return +3 per cent, no bonus will be paid. The deferral rule applies to incentive bonuses paid to key employees who were subject to the deferral rule under the remuneration policies of the Mandatum Group companies in force at the time of the introduction of this incentive plan.

Fair value of the incentive schemes is estimated by using the Black-Scholes pricing model.

EUR million	2020:1	2020:1/2	2020:1/3
Original terms approved ¹	5/8/2020	5/8/2020	5/8/2020
Allocated (1,000) 31 Dec 2020	580	-	-
Allocated (1,000) 31 Dec 2021	790	20	-
Allocated (1,000) 31 Dec 2022	790	20	50
Allocated (1,000) 31 Dec 2023	488	20	50
Allocated (1,000) 31 Dec 2024	209	11	35
End of performance period I 30%	Q2-2023	Q2-2024	Q2-2025
End of performance period II 35%	Q2-2024	Q2-2025	Q2-2026
End of performance period III 35%	Q2-2025	Q2-2026	Q2-2027
Payment I 30%	9-2023	9-2024	9-2025
Payment II 35%	9-2024	9-2025	9-2026
Payment III 35%	9-2025	9.2026	9-2027

EUR million	2020:1	2020:1/2	2020:1/3
Price of Sampo A at original terms approval date ¹	30.30	30.30	30.30
Maximum value of incentive unit	56.94	67.49	68.74
Starting price	32.94	43.49	44.74
Dividend-adjusted starting price at 31 Dec 2024	18.11	30.36	35.71
Sampo A - closing price 31 Dec 2024	39.38		
Mandatum share - closing price 31 Dec 2024	4.48		
Total intrinsic value, EUR million	3.9	0.1	0.1
Liability, total EUR million	4.0		
Total cost for the financial period	1.3		

1) Grant dates vary

34 AUDITOR'S FEES

EUR million	2024	2023
Audit fee	1.0	1.0
Auditor's reports	0.1	0.1
Sustainability statement assurance	0.1	0.0
Other	0.1	0.1
Total	1.2	1.2

In 2024 and 2023 the audit firm was Deloitte Ltd.

35 INVESTMENTS IN SUBSIDIARIES

Name	Country	2024	2023
		Holding %	Holding %
Mandatum Holding Ltd	Finland	-	100
Mandatum Life Insurance Company Ltd	Finland	100	100
Mandatum Asset Management Ltd	Finland	100	100
Mandatum Asset Management Services Ltd	Finland	100	100
Mandatum Life Fund Management S.A.	Luxembourg	100	100
Mandatum AM AIFM Ltd	Finland	100	100
Mandatum Incentives Ltd	Finland	100	75
Mandatum Life Services Ltd	Finland	100	100
Mandatum Life Private Equity GP Ltd	Finland	88.1	88.1
Mandatum Life Rental Plots I GP Ltd	Finland	100	100
MAM Growth Equity II GP Ltd	Finland	100	100
Mandatum Life Rental Plots II Ltd	Finland	100	100
Asunto Oy Espoon Aallonhuippu 9	Finland	100	100
Asunto Oy Espoon Aapelinkatu 6	Finland	100	100
Asunto Oy Espoon Matinkatu 8	Finland	100	100
Asunto Oy Vantaan Raivosuonmäki 6	Finland	100	100
Kiinteistö Oy Ahti Business Park	Finland	100	100
Kiinteistö Oy Helsingin Ratamestarinkatu 7a	Finland	100	100
Kiinteistö Oy Helsingin Ratamestarinkatu 7b	Finland	100	100
Kiinteistö Oy Hyvinkään Sampotalo	Finland	81.4	81.4
Kiinteistö Oy Hämeenlinnan Karhulinna	Finland	100	100
Kiinteistö Oy Jäkälävaara	Finland	100	100
Kiinteistö Oy Järvenpään Asemakatu 4	Finland	100	100
Kiinteistö Oy Kaupintie 5	Finland	100	100
Kiinteistö Oy Leppävaaran Säästötammi	Finland	100	100
Kiinteistö Oy Niittymaanpolku	Finland	100	100
Kiinteistö Oy Oulun Torikatu 21-23	Finland	100	100
Kiinteistö Oy Rautalaani	Finland	100	100
Kiinteistö Oy Tampereen Hatanpäänvaltie 18	Finland	100	100

36 INTERESTS IN UNCONSOLIDATED STRUCTURED ENTITIES

Mandatum Fund Management S.A and Mandatum AM AIFM Ltd., which belong to Mandatum group, manage Mandatum's funds, while Mandatum Private Equity GP, Mandatum Growth Equity II GP and Mandatum Life Rental Plots I GP, a real estate investment fund, manage Mandatum's limited partnership investments. Mandatum Fund Management S.A. and the GP companies use Mandatum Asset Management Ltd as portfolio manager for the funds and limited partnerships they manage, and Mandatum AM AIFM Ltd is responsible for the portfolio management and other administration of its funds.

Mandatum Group receives management fee income from the unconsolidated funds and limited partnerships. This income is included in fee income in the income statement. In addition, Mandatum Group receives returns from the unconsolidated funds and limited partnerships as an investor. These returns are included in income from investments according to the balance sheet item in which the investments have been included in the balance sheet. Mandatum Group's investments in the funds managed by Mandatum Fund Management S.A. and Mandatum AM AIFM Ltd and in the limited partnerships managed by GP companies totalled EUR 2.7 (2.4) billion on 31 December 2024. The investments are included in investment assets in the balance sheet.

37 EVENTS AFTER THE BALANCE SHEET DATE

On 10 March 2025, Mandatum announced to sell all of its shares, amounting to 19.83 per cent, in Saxo Bank A/S to Bank J. Safra Sarasin AG for approximately EUR 319 million. Mandatum expects to record a minor pre-tax gain after transaction costs for the first quarter of 2025. The final value and Mandatum's share of the purchase price remains subject to possible downward adjustment, as agreed in the share purchase agreement, the certainty and quantity of which may remain open for an extended period of time. Mandatum expects this adjustment to its share of the purchase price, if materialised, to amount to single digit of millions. If the transaction would have taken effect as at 31 December 2024, Mandatum's pro forma solvency ratio would have increased from 210 per cent to approximately 242 per cent as at 31 December 2024 due to decreased solvency capital requirement.

The transaction is subject to standard regulatory and other approvals, including from the FINMA (Swiss Financial Market Supervisory Authority) and the DFSA (Danish Financial Supervisory Authority), and is expected to be finalised before the end of the year 2025. The amount to be received by Mandatum will be paid in cash at the closing and depend on, for example, the timing of the closing. After the closing Mandatum will use the proceeds received to repay the EUR 200 million bank loan that was used to finance the acquisition of the Saxo Bank shares from Sampo plc.

MANDATUM PLC'S FINANCIAL STATEMENTS

MANDATUM PLC

FINANCIAL STATEMENTS

INCOME STATEMENT

EUR	Note	1 Jan-31 Dec 2024	1 Oct-31 Dec 2023
Revenue		-	-
Other income			
Merger gain		199,469,315.59	-
Staff expenses			
Salaries and remunerations		-5,361,551.71	-1,226,006.83
Social security costs			
Pension costs		-723,081.76	-93,585.02
Other		-122,927.68	-46,478.57
Other operating expenses	1	-8,909,810.16	-4,731,502.37
Depreciation and impairments			
Planned depreciation	4	-897.14	-
Operating profit		184,351,047.14	-6,097,572.79
Financial income and expense	3		
Income from shares in Group companies		357,000,000.00	230,000,000.00
Income from other investments of fixed assets		30,104,800.07	-
Other interest and financial income		5,543,926.62	178,609.07
Other interest and financial expenses		-8,614,005.04	-648,244.92
Profit before appropriations and taxes		568,385,768.79	223,432,791.36
Income tax		-22,147.85	-
Profit for the financial year		568,363,620.94	223,432,791.36

BALANCE SHEET

EUR	Note	31 Dec 2024	31 Dec 2023
Assets			
Tangible assets	4	2,691.42	3,588.56
Investments			
Shares in group company	17	553,665,518.28	538,514,537.44
Other shares	5	402,144,162.62	-
Short-term receivables			
Other receivables	6	54,108,463.70	156,269.18
Other accrued income	7	798,215.92	-
Cash and cash equivalents		363,320,875.70	227,211,599.94
Total assets		1,374,039,927.64	765,885,995.12
Liabilities			
Equity	8		
Share capital		80,000.00	80,000.00
Invested unrestricted equity		440,043,239.97	436,677,239.97
Profit brought forward		57,839,863.20	-
Profit for the financial year		568,363,620.94	223,432,791.36
Liabilities			
Long-term liabilities	11		
Other long-term loans		289,925,718.58	101,309,404.81
Short-term liabilities	10		
Other short-term liabilities		11,223,054.75	-
Other liabilities		3,150,059.34	1,372,584.43
Accruals and deferred income		3,414,370.86	3,013,974.55
Total liabilities		1,374,039,927.64	765,885,995.12

STATEMENT OF CASH FLOWS

EUR	1 Jan–31 Dec 2024	1 Oct–31 Dec 2023
Operating activities		
Profit (loss) before appropriations and taxes	568,385,768.79	223,432,791.36
Adjustments:		
Planned depreciation	897.14	-
Merger gain	-199,469,315.59	-
Financial income and expenses	-384,034,721.65	-229,358,883.37
Cash flow before changes in working capital	-15,117,371.31	-5,926,092.01
Changes in working capital		
Increase in receivables	-942,869.29	-156,269.18
Increase in payables	2,177,871.22	3,321,115.03
Cash flow from operating activities before financial items and taxes	-13,882,369.38	-2,761,246.16
Dividend income received	357,000,000.00	230,000,000.00
Interest expense paid	-3,210,253.16	-23,565.34
Net operating cash flow	339,907,377.46	227,215,188.50
Investing activities		
Investments in other investments	-53,765,861.01	-3,588.56
Investments in equities	-301,681,292.06	-
Dividend income received	30,104,800.07	-
Merger without consideration	84,216,715.46	-
Net investing cash flow	-241,125,637.54	-3,588.56
Financing activities		
Share issue	3,366,000.00	-
Loan withdrawal	199,700,000.00	-
Loan repayment	-145,536.00	-
Dividends paid	-165,592,928.16	-
Net financing cash flow	37,327,535.84	-
Net increase (+)/decrease (-) in cash and cash equivalents	136,109,275.76	227,211,599.94
Cash and cash equivalents at 1 January	227,211,599.94	-
Cash and cash equivalents at 31 December	363,320,875.70	227,211,599.94

Summary of significant accounting policies

Mandatum plc, business ID 3355142-3, has been registered in the Trade Register on 1 October 2023. The first financial year was the period from 1 October to 31 December 2023, after which the financial year will be from 1 January to 31 December.

Mandatum Holding Ltd was merged into Mandatum plc on 30 April 2024. The merger had no impact on Mandatum plc's business operations. Year 2023 is not comparative due to merger and length of first financial year.

The financial statements of Mandatum plc and the notes have been prepared in accordance with the Finnish Accounting Act and Regulation. The company's shareholdings have been valued at cost. The cost includes variable costs incurred in the acquisition.

Mandatum plc is the parent company of Mandatum Group. It is domiciled in Helsinki and the headquarters are at Bulevardi 56, 00120 Helsinki, Finland. A copy of the Group's financial statements is available at the internet address [mandatum.fi/en](https://www.mandatum.fi/en).

NOTES TO THE INCOME STATEMENT OF MANDATUM PLC

1 Other operating expenses

EUR	1 Jan–31 Dec 2024	1 Oct–31 Dec 2023
External services	-2,852,840.90	-2,539,145.39
Other expenses	-3,808,100.82	-1,694,890.28
Service charges	-1,133,340.00	-252,918.00
Other staff costs	-809,166.66	-193,850.25
Rental expenses	-185,893.60	-17,518.16
IT expenses	-120,468.18	-33,180.29
Total	-8,909,810.16	-4,731,502.37

2 Auditor's fees

EUR	1 Jan–31 Dec 2024	1 Oct–31 Dec 2023
Audit fee	-301,102.00	-262,798.00
Auditor's reports	-5,900.00	-
Sustainability statement assurance	-99,074.00	-
Other	-	-48,000.00
Total	-406,076.00	-310,798.00

Auditing firm Deloitte Oy

3 Financial income and expense

EUR	1 Jan–31 Dec 2024	1 Oct–31 Dec 2023
Dividend income received	387,104,800.07	230,000,000.00
Interest income	5,521,078.01	178,609.07
Other finance income	22,848.61	-
Interest expenses	-8,488,496.38	-641,116.63
Other finance expenses	-125,508.66	-7,128.29
Total	384,034,721.65	229,530,364.15

NOTES TO THE BALANCE SHEET OF MANDATUM PLC

4 Tangible assets

EUR	31 Dec 2024	31 Dec 2023
Plant and equipment 1 January	3,588.56	-
Additions	-	3,588.56
Depreciation	-897.14	-
Plant and equipment 31 December	2,691.42	3,588.56

5 Other shares

EUR	31 Dec 2024	31 Dec 2023
Acquisition cost 1 January	-	-
Additions	301,681,292.06	-
Additions in a merger	100,462,870.56	-
Acquisition cost 31 December	402,144,162.62	-

6 Other receivables

EUR	31 Dec 2024	31 Dec 2023
Commercial papers	53,807,541.15	-
Receivables from other companies	-	-
Other receivables	108,951.47	14,839.74
Receivables from companies in the same group	-	-
Other receivables	191,971.08	141,429.44
Total	54,108,463.70	156,269.18

7 Other accrued income

EUR	31 Dec 2024	31 Dec 2023
Receivables from other companies	-	-
Interests	120,260.27	-
Income tax receivables	647,644.32	-
Other accrued income	30,311.33	-
Total	798,215.92	-

8 Movements in the parent company's equity

EUR	Share capital	Invested unrestricted equity fund	Retained earnings	Total
Carrying amount at 1 Oct 2023	80,000.00	436,677,239.97	-	436,757,239.97
Profit for the period	-	-	223,432,791.36	223,432,791.36
Carrying amount at 31 Dec 2023	80,000.00	436,677,239.97	223,432,791.36	660,190,031.33
Carrying amount at 1 Jan 2024	80,000.00	436,677,239.97	223,432,791.36	660,190,031.33
Dividend distribution	-	-	-165,592,928.16	-165,592,928.16
Share issue	-	3,366,000.00	-	3,366,000.00
Profit for the period	-	-	568,363,620.94	568,363,620.94
Carrying amount at 31 Dec 2024	80,000.00	440,043,239.97	626,203,484.14	1,066,326,724.11

Distributable funds

EUR	31 Dec 2024	31 Dec 2023
Parent company		
Profit for the period	568,363,620.94	223,432,791.36
Retained earnings	57,839,863.20	-
Invested unrestricted equity fund	440,043,239.97	436,677,239.97
Total	1,066,246,724.11	660,110,031.33

9 Share capital

Information on share capital is disclosed in note 31 Equity and reserves in the consolidated financial statements.

10 Short-term liabilities

EUR	31 Dec 2024	31 Dec 2023
Liabilities to other companies		
Loan from Sampo plc	11,223,054.75	-
Other liabilities		
Accounts payables	243,996.39	84,638.69
Other	2,766,750.55	982,251.98
Accruals and deferred income	3,414,370.86	3,013,974.55
Total	17,648,172.55	4,080,865.22
Liabilities to companies belonging to the same group		
Other liabilities	139,312.40	305,693.76
Total	17,787,484.95	4,386,558.98
Material items of accruals and deferred income		
Holiday pay accrual	620,834.21	597,034.50
Fees and social charges	2,602,246.26	2,385,770.27
Other	191,290.39	31,169.78
Total	3,414,370.86	3,013,974.55

11 Long-term liabilities

EUR	31 Dec 2024	31 Dec 2023
Loan from Sampo plc ¹	90,035,033.65	101,309,404.81
Loans from financial institutions ²	199,890,684.93	-
Total	289,925,718.58	101,309,404.81

1) Loan agreement signed on 23 Oct 2023. Loan matures on 27 Sep 2030, interest rate 0-3.375 per cent. Loans due after more than 5 years are EUR 27.78 million.

2) The terms of the loan are presented in note 28 Subordinated debt and other financial liabilities in the consolidated financial statements.

OTHER NOTES TO THE FINANCIAL STATEMENTS OF MANDATUM PLC

12 Pension liabilities

The basic and supplementary pension cover of Mandatum plc's personnel is provided through insurance policies with pension insurance companies in Finland.

13 Other liabilities and commitments

EUR	31 Dec 2024	31 Dec 2023
Payments for leasing and rental agreements		
To be paid in the next financial year	85,293.47	33,138.96
Later to be paid	7,593.72	38,522.98
Total	92,887.19	71,661.94

Joint and several liability for VAT group registration amounting to EUR 880,761.04 (1.220.180,10).

14 Staff numbers

	2024 average	2023 average
Full-time staff	24	22

15 Board fees and management remuneration

EUR	1 Jan-31 Dec 2024	1 Oct-31 Dec 2023
Board of directors	994,969.02	-
CEO	1,565,643.80	159,714.35
Total	2,560,612.82	159,714.35

16 Pension contributions to the CEO, deputy CEO and the members of the Board

EUR	Supplementary pension costs	Statutory pension	Total
Board of directors	262,675.00	77,908.77	340,583.77
CEO	262,675.00	98,274.77	360,949.77
Total	525,350.00	176,183.54	701,533.54

For the supplementary pension the retirement age of the CEO is 63 years and the Chair of the Board 60 years.

17 Shares in group companies

Company name	31 Dec 2024		31 Dec 2023	
	Interest held	Carrying amount of shares, EUR	Interest held	Carrying amount of shares, EUR
Mandatum Asset Management Ltd	100%	70,009,124.68	-	-
Mandatum Life Insurance Company Ltd	100%	483,656,393.60	-	-
Mandatum Holding Ltd	-	-	100%	538,514,537.44

Note 35 Investments in subsidiaries lists all subsidiaries of the Mandatum Group.

SIGNATURES OF THE REPORT OF THE BOARD OF DIRECTORS, SUSTAINABILITY STATEMENT AND FINANCIAL STATEMENTS

The financial statements prepared in accordance with the applicable accounting regulations provide a true and fair view of the assets, liabilities, financial position, and profit or loss of both the company and the entities included in its consolidated financial statements.

The report of the Board of Directors includes a description that provides a true and fair view of the development and results of the business activities of both the company and the entities included in its consolidated financial statements, as well as a description of the most significant risks and uncertainties and other aspects of the company's state.

The sustainability statement included in the report of the Board of Directors has been prepared in accordance with the reporting standards referred to in Chapter 7 of the Accounting Act and Article 8 of the Taxonomy Regulation.

Helsinki, 12 March 2025
Mandatum plc
Board of Directors

Patrick Lapveteläinen
Chair of the Board of Directors

Jannica Fagerholm
Vice Chair of the Board

Markus Aho

Herman Korsgaard

Kimmo Laaksonen

Johanna Lamminen

Jukka Ruuska

Petri Niemisvirta
Group CEO

AUDIT STATEMENT

The auditor's report has been issued today.
Helsinki, 12 March 2025

Deloitte Ltd, Authorised Public Accountant Firm

Reeta Virolainen
Authorised public accountant

**AUDITOR'S REPORT, ASSURANCE
REPORT ON THE SUSTAINABILITY
STATEMENT AND INDEPENDENT
AUDITOR'S REPORT ON THE
ESEF FINANCIAL STATEMENTS
OF MANDATUM OYJ**

AUDITOR'S REPORT

Translation of the Finnish Original

To the Annual General Meeting of
Mandatum Oyj

REPORT ON THE AUDIT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Mandatum Oyj (business identity code 3355142-3) for the year ended 31.12.2024. The financial statements comprise the consolidated balance sheet, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU

- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the Additional Report submitted to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have

provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 34 to the consolidated financial statements and in note 2 to the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that

represented a risk of material misstatement due to fraud.

Key audit matter
Valuation of Insurance contract liabilities

We refer to the note 1 Basis of preparation and the note 23 Insurance contract liabilities.

At 31 December 2024, Insurance contract liabilities amount to EUR 5 640,7 million. Determination of the Insurance contract liabilities is, to a significant extent, subject to accounting estimation that is based on management judgements and assumptions about future events.

We believe that the key assumptions relate to determining lapse and surrender rates of insurance policies and assumptions related to estimated discount rates.

The measurement methods, assumptions used, estimated fulfilment cashflows of the insurance contracts and models applied may have a significant impact on the measurement of the Insurance contract liabilities. For this reason, it is a key audit matter.

How our audit addressed the key audit matter

We have assessed the measurement of the Insurance contract liabilities as calculated by Management. Our audit procedures included assessment of the key controls relating to data validation, valuation of Insurance contract liabilities and key assumptions used as part of the models.

We have utilized actuarial experts together with our IFRS 17 specialists in our audit and assessed methods and models and information used by management. We have compared the information used in the calculations with the historical data and market trends.

We have evaluated the assumptions relating to lapse and surrender rates used in the calculation based on actuarial methods. Further, we have analyzed the development of the discount rates and compared it with externally available market data.

We have assessed changes in the key assumptions and models applied. We have tested the source data of the insurance contracts that form the basis of the Insurance contract liabilities.

We have assessed the presentation and disclosures of the Insurance contract liabilities in the financial statements.

Key audit matter

Valuation of financial assets and investments related to unit-linked insurance and investment contracts

We refer to the notes to the financial statements 1 Basis of preparation, 18 Financial assets and liabilities and 19 Investments related to unit-linked insurance and investment contracts.

The group's financial assets, EUR 3 507,3 million, an investments related to unit-linked insurance and investment contracts, EUR 13 292,5 million, form a major part of the group's total assets.

A significant part of the group's financial assets has been valued at fair value. Financial instruments measured at fair value are categorized into three levels within the fair value hierarchy, based on the observability of the inputs used in the valuation techniques.

At Level 1 valuations are based on quoted prices in active markets for identical assets or liabilities. At Level 2 valuations are based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. At Level 3 valuations are based on inputs that are not observable in the market.

Our audit focus area has been the valuation of level 2 and 3 financial assets in accordance with IFRS, where the valuation techniques include factors that cannot be directly verified from the market.

The use of different valuation methods and assumptions can lead to different estimates of the fair value, and thus this is a key audit matter.

We have not identified significant risks of material misstatement in accordance with EU Audit Regulation (537/2014) Article 10 paragraph 2 c in the parent company's financial statements.

How our audit addressed the key audit matter

Our audit procedures have included evaluating the appropriateness of internal controls and accounting principles related to financial assets, as well as the accounting estimates prepared by management.

We have reviewed the appropriateness of the valuation models and accounting practices used by the company to assess whether the fair value determination is in accordance with IFRS standards and industry practices. We have requested external confirmations to verify the existence of the investments.

Together with our specialists, we have compared the assumptions used by the management in the valuation calculation. We have utilized Deloitte's analytics tools and performed recalculation of fair values by utilizing information available from the market.

For those financial assets that are valued on the basis of information other than those available from the market, we have also evaluated the practices and assumptions used by management in determining the fair values.

We have assessed the appropriateness of the presentation in the financial statements.

Responsibilities of the Board of Directors and the Chief Executive Officer for the Financial Statements

The Board of Directors and the Chief Executive Officer are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Chief Executive Officer are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Chief Executive Officer are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Chief

Executive Officer's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the

direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the

public interest benefits of such communication.

OTHER REPORTING REQUIREMENTS

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 17.5.2023, and our appointment represents a total period of uninterrupted engagement of two (2) years.

Other information

The Board of Directors and the Chief Executive Officer are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report but does not include the financial statements or our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering

whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other statements

We support that the financial statements should be adopted. The proposal by the Board of Directors regarding the use of the profit shown in the balance sheet is in compliance with the Limited Liability Companies Act. We support that the Members of the Board of Directors of the parent company and the Chief Executive Officer should be discharged from liability for the financial period audited by us.

Helsinki, 12 March 2025

Deloitte Oy

Audit Firm

Reeta Virolainen

Authorized Public Accountant

ASSURANCE REPORT ON THE SUSTAINABILITY STATEMENT

Translation of the Finnish Original

To the Annual General Meeting of
Mandatum Oyj

We have performed a limited assurance engagement on the group sustainability statement of Mandatum Oyj (business identity code 3355142-3) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the financial year 1.1.-31.12.2024.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

- the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);
- the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to

facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Mandatum Oyj has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment) and the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act.

Our opinion does not cover the tagging of the group sustainability statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that provision in the absence of the ESEF regulation or other European Union legislation.

Basis for opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised)

Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Our responsibilities under this standard are further described in the *Responsibilities of the Authorised Sustainability Auditor* section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw attention to the fact that the group sustainability statement of Mandatum Oyj that is referred to in Chapter 7 of the Accounting Act has been prepared and assurance has been provided for it for the first time for the financial year 1.1.-31.12.2024.

Our opinion does not cover the comparative information that has been presented in the group sustainability statement. Our opinion is not modified in respect of this matter.

Authorised group sustainability auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorised group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorised sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer of Mandatum Oyj are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified as well as the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act and
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
- such internal control as the Board of Directors and the Chief Executive Officer determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Statement

In preparing the group sustainability statement, the company is required to conduct a materiality assessment to identify relevant matters to be reported. This process involves significant management judgement and choices. Due to the nature and characteristics of sustainability reporting, this type of information involves estimates and assumptions, as well as measurement and evaluation uncertainties.

In reporting forward-looking information, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Responsibilities of the Authorised Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of

users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures include for example the following:

- Performed inquiries of the company's management and personnel responsible for collecting and reporting the information contained in the group sustainability statement at the group level and for subsidiaries, as well as at the different levels and business areas of the organization.
- Obtained an understanding of the company's sustainability reporting process, internal controls, and information systems related to the sustainability reporting process through inquiries.
- Reviewed the supporting documentation and records prepared by the company, where applicable, and assessed whether they support the information included in the group sustainability statement.
- With respect to the double materiality assessment process, we evaluated the implementation of the process conducted by the company in relation to the requirements of the ESRS standards and assessed whether the disclosed information on the double materiality assessment is in accordance with the ESRS standards.
- Evaluated whether the group sustainability statement meets the requirements of the ESRS standards, in all material aspects, regarding material sustainability matters to a significant extent.
- With respect to the EU taxonomy information, we obtained an understanding of the process by which the company has identified taxonomy-eligible and taxonomy-aligned economic activities and assessed the compliance of the related disclosed information with the regulations.

Helsinki, 12. March 2025

Deloitte Oy

Authorised Sustainability Audit Firm

Reeta Virolainen

Authorised Sustainability Auditor (KRT)

INDEPENDENT AUDITOR'S REPORT ON THE ESEF FINANCIAL STATEMENTS OF MANDATUM OYJ

Translation of the Finnish Original
To the Board of Directors of Mandatum Oyj

We have performed a reasonable assurance engagement on the consolidated financial statements (7437000AJK6L28Y2NN56-2024-12-31-fi.zip) of Mandatum Oyj (business identity code 3355142-3) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year ended 31 December 2024.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the company's report of the Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard

- tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
- ensuring the consistency between the ESEF financial statements and the audited financial statements.

The Board of Directors and the Chief Executive Officer are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance with the requirements of the Commission's regulatory technical standard.

Auditor's independence and quality management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The auditor applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's regulatory technical standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable

assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

- whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and

- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgment. This includes an assessment of the risk of a material deviation due to fraud or error from the requirements of the Commission's regulatory technical standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of Mandatum Oyj (7437000AJK6L28Y2NN56-2024-12-31-fi.zip) for the financial year ended 31 December 2024 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our opinion on the audit of the consolidated financial statements of Mandatum Oyj for the financial year ended 31 December 2024 has been expressed in our auditor's report (dated 12 March 2025).

With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Helsinki, 12 March 2025

Deloitte Oy

Audit Firm

Reetta Virolainen

Authorized Public Accountant



CORPORATE GOVERNANCE STATEMENT

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1 INTRODUCTION

This Corporate Governance Statement 2024 of Mandatum plc (hereinafter also referred to as “**Mandatum**”) has been prepared as a separate report from the Board of Directors’ Report and the Audit Committee of the Board of Directors has reviewed it.

Mandatum complies with applicable legislation and the rules of Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”). In addition, Mandatum complied, during 2024, in full, with the Corporate Governance Code for listed companies issued by the Finnish Securities Market Association on 19 September 2019, which became effective on 1 January 2020 (the “**Corporate Governance Code**”). This Corporate Governance Statement, as set forth in chapter 7, section 7 of the Finnish Securities Markets Act (746/2012, as amended), has been prepared in accordance with the Corporate Governance Code 2025, which became effective on 1 January 2025.

The Corporate Governance Code is publicly available on the Securities Market Association’s website at cgfinland.fi/en. Mandatum is a supporting member of the Securities Market Association.

This Corporate Governance Statement and other information required by the Corporate Governance Code, the company’s Financial Statements, the Board of Directors’ Report and the Auditor’s Report are available on the company’s website at mandatum.fi/en/year2024.

2 CORPORATE GOVERNANCE SYSTEM

2.1 MANDATUM PLC'S ARTICLES OF ASSOCIATION

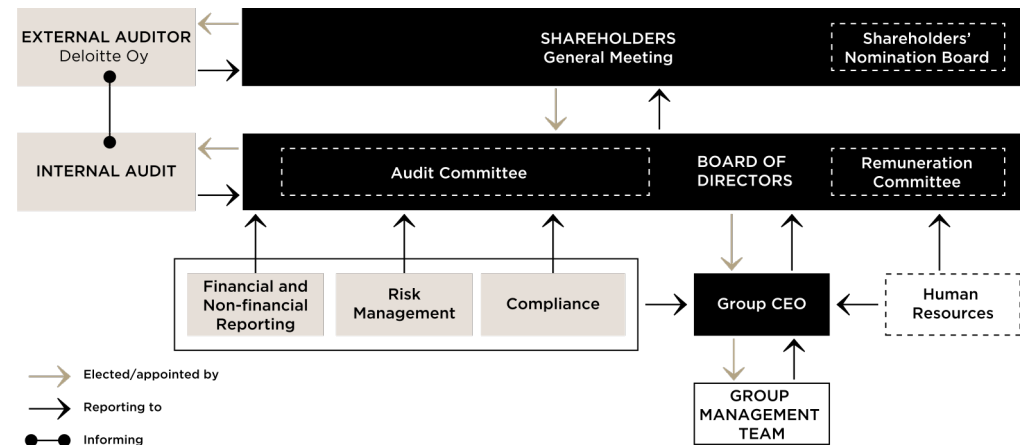
The Finnish Companies Act requires that all Finnish limited liability companies have their own articles of association. Mandatum plc's Articles of Association define, among other things, the company's line of business and the main principles of the scope of competence and division of powers between the company's key governing bodies (General Meeting, Board of Directors, and CEO).

The purpose of the policies is to harmonise the Group's activities in a defined area and to help achieve the Group's operational and compliance objectives by setting out responsibilities, formal expectations and standards of conduct in writing and communicating them appropriately to all relevant parties.

2.2 PRINCIPLES AND POLICIES

Mandatum Group's general governance is based on an operating model where Mandatum plc, as the parent company of the Group, sets Group-wide general principles within which the parent company expects its subsidiaries to organise and conduct their business. In addition to these principles, Mandatum plc's Board of Directors also confirms policies that set out required procedures and responsibilities for all Mandatum Group companies, operations, and employees within the Mandatum Group. These policies aim to ensure compliance with internal and external requirements, as well as the sound and prudent management of its business.

Mandatum plc's governance structure



3 GENERAL MEETING

The General Meeting is the highest decision-making body of Mandatum plc, where the shareholders participate in the supervision and control of the company by exercising their right to speak and vote. The Finnish Companies Act and Mandatum plc's Articles of Association regulate the matters that must be dealt with at a General Meeting (competence of a General Meeting). Customarily a General Meeting deals with, in addition to issues determined by law and the Articles of Association, the issues presented by the Board of Directors. Furthermore, in accordance with the Finnish Companies Act, a shareholder has the right to require a certain issue to be dealt with at a General Meeting, providing the issue falls within the scope of competence of a General Meeting. The Board of Directors convenes a General Meeting by publishing a notice of the meeting on Mandatum plc's website at least three weeks before the General Meeting and no later than nine days before the record date of the General Meeting. The notice of a General Meeting shall also be published by a stock exchange release.

3.1 ANNUAL GENERAL MEETING

The Annual General Meeting must be held on a date specified by the Board of Directors within six months of the end of the financial year. The Annual General Meeting shall discuss matters assigned to it in accordance with the Articles of Association and any other business referred to in the notice of the meeting. The notice and other documents of the Annual General Meeting, including the proposals of the Board of Directors and its Committees, the Financial Statements, and the Report of the Board of Directors, will be made available on the company's website at least three weeks before the General Meeting.

In 2024, Mandatum plc's Annual General Meeting was held on 15 May at Messukeskus in Helsinki. A total of 956 shareholders were represented at the meeting, representing 191,041,235 shares and votes.

Main duties of the Annual General Meeting

- The Annual General Meeting receives:
 - the Financial Statements and the Report of the Board of Directors; and
 - the Auditor's Report.

- The Annual General Meeting decides on:
 - the adoption of the Financial Statements;
 - the use of the profit shown on the balance sheet;
 - the release from liability of the members of the Board of Directors and the Managing Director;
 - if necessary, advisory resolution on the remuneration policy;
 - advisory resolution on the Remuneration Report;
 - the number of the members of the Board of Directors and their fees; and
 - the fees of the Auditor.
- The Annual General Meeting elects:
 - the members of the Board of Directors; and
 - the Auditor.
- The Annual General Meeting discusses:
 - any other business on the meeting agenda.

3.2 EXTRAORDINARY GENERAL MEETING

An Extraordinary General Meeting is convened when considered necessary by the Board of Directors. The Auditor, or shareholder(s) together holding a minimum of one tenth of all the shares in the company, may also request that an Extraordinary General Meeting shall be convened to discuss a matter raised by them.

3.3 ATTENDING A GENERAL MEETING

By attending General Meetings, shareholders may exercise their voting rights, request information and participate in the decision-making process of the company, either personally or by way of proxy representation.

At a General Meeting, each Mandatum plc share carries one vote.

4 BOARD OF DIRECTORS

The Board of Directors, elected annually by Mandatum plc's General Meeting, uses the highest decision-making power in Mandatum Group between General Meetings. Mandatum plc's Board of Directors is responsible for the management of the company in compliance with laws, authority regulations, the Articles of Association, and the decisions of the General Meetings.

4.1 DUTIES OF THE BOARD OF DIRECTORS

The working principles and main duties of the Board of Directors are defined in the Board's Charter. To ensure the proper operations of the Group, Mandatum plc's Board of Directors has approved principles and policies concerning, among other things, Mandatum Group's general corporate governance, risk management, compliance, internal control, and reporting.

Main duties of the Board of Directors

- The Board of Directors receives Group-level reporting.
- The Board of Directors supervises:
 - the due organisation of functions and operations;

- the financial reporting systems and the efficiency of internal audit and risk management;
- related party transactions; and
- the independence of the External Auditor and the non-audit services offered by the External Auditor.

- The Board of Directors resolves on:
 - the strategy and other major strategic or far-reaching decisions of Mandatum Group;
 - convening of the Annual General Meeting;
 - Group-level and Mandatum plc principles and policies;
 - the minimum requirements of capitalisation and the proposal on profit distribution; and
 - Group-level remuneration matters.
- The Board of Directors prepares:
 - the consolidated financial statements; and
 - proposals to the Annual General Meeting.
- The Board of Directors appoints and discharges the Group CEO and the Group Chief Audit Executive. The Board of Directors decides on the terms of their service and remuneration based on the Remuneration Policy in effect.

- The Board discusses the annual performance evaluation of the Board of Directors.

4.2 ELECTION AND TERM OF OFFICE OF THE MEMBERS OF THE BOARD OF DIRECTORS

According to Mandatum plc's Articles of Association, the company's Board of Directors comprises no fewer than three and no more than ten members elected by the shareholders in the General Meeting.

The term of office of the Board members is one year, starting immediately after the General Meeting at which they were elected and ending at the close of the next Annual General Meeting following their election. The members of the Board of Directors elect from among themselves a Chair and a Vice Chair at their first meeting following the Annual General Meeting.

Mandatum plc has established a Shareholders' Nomination Board with the task of preparing and presenting annually a proposal on the composition of the Board of Directors made to the General Meeting. However, any shareholder of the company may also make a proposal directly to the Annual General Meeting in accordance with

the Finnish Companies Act (624/2006, as amended). The members of the Board of Directors are not appointed in a special order of appointment.

Mandatum plc's Board of Directors has approved Board Diversity Principles, the purpose of which is to set out the factors of diversity to be taken into consideration in the composition of the Board of Directors of Mandatum plc to promote good corporate governance and effective functioning of the Board of Directors. The company recognises that a diverse Board of Directors, consisting of individuals with a broad range of perspectives, backgrounds, and experiences, promotes Mandatum's business decision-making and ensures good corporate governance. These objectives are supported by a broad set of qualities and competences, as well as diversity, including age, gender, geographical provenance, and educational and professional background of the members of the Board of Directors. The principles are available on the company's website [mandatum.fi/en](https://www.mandatum.fi/en).

According to the principles, gender equality and balanced representation of genders, including ensuring that both genders are always represented on the Board of

Directors with a target of each gender being represented by at least 33.3 per cent of the members, are important factors to take into consideration when the Shareholders' Nomination Board prepares the proposal for the composition of the Board of Directors.

As required by the Charter of the Shareholders' Nomination Board and the Corporate Governance Code, Mandatum plc's Board of Directors shall have sufficient expertise, knowledge and competence in the company's field of business, as well as sufficient time to perform its duties. In particular, the Board of Directors shall have sufficient knowledge and competence in the following areas:

- the company's business and industry;
- management of a public company of corresponding size;
- corporate and financial administration;
- internal control and risk management;
- and
- corporate governance.

In accordance with the proposal by the Shareholders' Nomination Board, the 2024 Annual General Meeting decided to increase the number of Board members to seven. Patrick Lapveteläinen, Jannica Fagerholm, Johanna Lamminen, Jukka Ruuska, Kimmo Laaksonen and Markus Aho were re-elected as members of the Board of Directors. In addition, Herman Korsgaard was elected as a new member of the Board of Directors.

In 2024, after the Annual General Meeting, the Board of Directors consisted of six Finnish and one Norwegian Board member. In terms of age, the members of the Board of Directors ranged from 37 to 63 years old. Their educational backgrounds were in business, technology and law.

Until the 2024 Annual General Meeting, the gender distribution of the Board of Directors was 66.66 per cent (men) and 33.33 per cent (women). After the Annual General Meeting and the election of one new Board member, the gender distribution was 71.4 per cent (men) and 28.6 per cent (women). Thus, the gender representation target in accordance with the Board Diversity Principles was achieved in 2024 prior to the Annual General Meeting, but not after the Annual General Meeting. The Shareholders' Nomination Board has informed the company of its intention to seek to balance the gender distribution of the company's Board of Directors when preparing the proposal on the composition

of the Board of Directors for the 2025 Annual General Meeting.

The Board members were elected for a term lasting until the conclusion of the next Annual General Meeting. Following the meeting, the Board appointed Patrick Lapveteläinen as Chair and Jannica Fagerholm as Vice Chair at its organisational meeting.

In 2024, the following persons served on Mandatum plc's Board of Directors:



Patrick Lapveteläinen, Chair of the Board, Member of the Remuneration Committee, Expert Member of the Shareholders' Nomination Board

- Born 1966, M.Sc. (Econ.), male
- Main occupation: **Mandatum plc**, Full-time Chair of the Board
- Positions of trust
 - **Mandatum Asset Management Ltd**, Chair of the Board
 - **Enento Group Plc**, Chair of the Board
 - **Saxo Bank A/S**, Board Member
- Member of Mandatum plc's Board of Directors and Chair of the Board as of 1 October 2023



Jannica Fagerholm, Vice Chair of the Board, Chair of the Remuneration Committee

- Born 1961, M.Sc. (Econ.), female
- Main occupation: **Signe and Ane Gyllenberg Foundation**, Managing Director
- Positions of trust
 - **Sampo plc**, Vice Chair of the Board, Chair of the Audit Committee
 - **Solidium Oy**, Board Member
 - **Kesko Corporation**, Board Member
 - **Society of Swedish Literature in Finland (SLS)**, Board Member
 - **Kelonia (Private Equity investment company)**, Board Member
- Member of Mandatum plc's Board of Directors and Vice Chair of the Board as of 1 October 2023



Johanna Lamminen, Board Member, Chair of the Audit Committee

- Born 1966, D.Sc. (Tech.), MBA, female
- Main occupation: **Novana Ltd**, CEO
- Positions of trust
 - **Alisa Bank Plc**, Board Member, Chair of the Audit Committee
 - **CellMark AB**, Board Member, Member of the Audit Committee
 - **ETLA Economic Research**, Board Member
 - **Finnish Business and Policy Forum EVA**, Board Member
 - **Savonlinna Opera Festival**, Chair of the Board of Directors
 - **Greenriver Holdco S.L.**, Board Member
- Member of Mandatum plc's Board of Directors as of 1 October 2023

In 2024, the following persons served on Mandatum plc's Board of Directors:



Kimmo Laaksonen, Board Member

- Born 1963, M.Sc. (Econ.), male
- Member of Mandatum plc's Board of Directors as of 1 October 2023



Markus Aho, Board Member,
Member of the Audit Committee

- Born 1980, M.Sc. (Tech.), male
- Main occupation: **Varma Mutual Pension Insurance Company**, Chief Investment Officer
- Member of Mandatum plc's Board of Directors as of 1 October 2023



Jukka Ruuska, Board Member,
Member of the Remuneration Committee

- Born 1961, LL.M., MBA, male
- Positions of trust
 - **Vastuu Group Ltd**, Chair of the Board
 - **Duunitori Ltd**, Chair of the Board
 - **Cambio Healthcare Systems**, Board Member
 - **Eficode Oy**, Board Member
 - **Oiva Property Management Ltd**, Chair of the Board
 - **HC Speed Holding I Oy Ab and II Oy Ab** (Secto Automotive Group Ltd's parent company), Chair of the Board
- Member of Mandatum plc's Board of Directors as of 1 October 2023



Herman Korsgaard, Board Member,
Member of the Audit Committee

- Born 1987, MBA, BsC, male
- Main occupation: **Altor Equity Partners AS**, Partner
- Positions of trust
 - **Kommunalkredit Austria AG**, Member of the supervisory board, Member of the Credit Committee, Member of the Audit Committee
 - **Svea Solar AB**, Board Member
 - **Rossignol Group**, Board Member
 - **Dale of Norway**, Board Member
- Member of Mandatum plc's Board of Directors as of 15 May 2024

Patrick Lapveteläinen has, under the rules of the Corporate Governance Code, been assessed to be independent of the company's major shareholders, but not independent of the company due to his engagement as full-time Chair of the Board of the company. Herman Korsgaard has been assessed to be independent of the company, but not independent of the company's major shareholders due to his role as Chair of the Board of Directors of Altor Invest 8 AS, which, based on the flagging notification received by Mandatum, holds more than 15 per cent of the company directly or through financial instruments. The other Board members have been assessed to be independent of the company and its major shareholders.

The Board of Directors of Mandatum plc held 11 meetings and made one written board resolution in 2024. Details of the Board members' attendance at meetings (including one written board resolution) are presented in the following table.

Board Member	Attendance (%)	Meetings
Patrick Lapveteläinen (Chair of the Board)	100	12/12
Jannica Fagerholm (Vice Chair of the Board)	100	12/12
Johanna Lamminen	100	12/12
Jukka Ruuska	100	12/12
Kimmo Laaksonen	100	12/12
Markus Aho	100	12/12
Herman Korsgaard (Board member as of 15 May 2024)	89	8/9

4.3 MANDATUM PLC'S SHARES AND SHARE-BASED RIGHTS HELD BY THE MEMBERS OF THE BOARD OF DIRECTORS

On 31 December 2024, the members of Mandatum plc's Board of Directors held shares in Mandatum plc, directly or through legal entities controlled by them, as follows:

Board Member	pcs
Patrick Lapveteläinen	586,369
Jannica Fagerholm	35,688
Johanna Lamminen	10,831
Kimmo Laaksonen	6,655
Markus Aho	21,253
Jukka Ruuska	7,753
Herman Korsgaard	4,350

The members of the Board of Directors did not have holdings in any Mandatum plc share-based rights.

5 BOARD-APPOINTED COMMITTEES

The Board of Directors may establish committees, executive committees and other permanent or temporary bodies to deal with tasks prescribed by the Board.

The Board confirms the charters of Mandatum plc's committees and guidelines and authorisations given to other bodies established by the Board.

Mandatum plc's Board of Directors has established an Audit Committee and a Remuneration Committee, whose members it appoints from among its members in accordance with the charters of the respective committees. In accordance with the charter of Mandatum plc's Audit Committee, matters related to risk management are handled by the Audit Committee.

5.1 AUDIT COMMITTEE

According to its charter, the Audit Committee comprises at least three members elected from among those Board Members who do not hold executive positions in the company and are independent of the company and of which as least one is independent of the company's major shareholders. The principally responsible auditor, Group CEO, Group CFO, Group Chief Audit Executive,

Head of Compliance and Group Chief Risk Officer also participate in the meetings of the Committee.

In 2024, the Chair of the Audit Committee was **Johanna Lamminen**. The other members were **Markus Aho** and **Jukka Ruuska** until 15 May 2024, and thereafter **Markus Aho** and **Herman Korsgaard**. In addition, the meetings were attended by the principally responsible auditor, Group CEO, Group CFO, Group Chief Audit Executive, Head of Compliance and Group Chief Risk Officer.

The Audit Committee convened six times in 2024. Details of the current committee members' attendance at Audit Committee meetings from 1 January to 31 December 2024 are presented in the table below.

Main duties of the Audit Committee

The Audit Committee is responsible for monitoring the statutory auditing of the

financial statements and consolidated financial statements as well as the preparation. Further, the Audit Committee monitors the preparation of assurance process of sustainability reporting. The Audit Committee is further responsible for supervising and assessing the accuracy of Mandatum Group's financial statements as well as supervising and assessing the Group's financial reporting process and supervising the preparation of the Group's Solvency II reporting. It further monitors the profitability, capitalisation and liquidity of the Group companies.

The Committee also supervises the actions of the auditor under the laws of Finland and monitors and evaluates the auditor's invoicing for audit and non-audit services as deemed appropriate. Furthermore, the Audit Committee is responsible for monitoring and evaluating the auditor's and auditing firm's independence and particularly their provision of related

services to Mandatum Group, and for preparing proposals to the Annual General Meeting concerning the auditor's and sustainability reporting assurer's election and their fees.

The Committee also monitors and assesses the efficiency of the Group's internal control and internal audit and risk management systems and supervises the Group's risks and the quality and scope of risk management. In addition, the Committee approves the internal audit's annual action plan, monitors the fulfilment of risk policies, the use of limits and the development of profit by business areas, supervises the preparation of and compliance with risk management policies and other guidelines within the scope of risk management and the Audit Committee's activities, and reviews the description of the main features of the internal control and risk management systems pertaining to the financial reporting process, which is included in the company's Corporate Governance Statement. The Committee defines the general principles regarding monitoring and evaluating transactions concluded between Mandatum plc and its related parties and also reviews the reporting processes regarding these transactions.

Name	Attendance (%)	Meetings
Johanna Lamminen	100	6/6
Markus Aho	100	6/6
Herman Korsgaard (member of the Committee as of 15 May 2024)	66.66	2/3

The Committee also evaluates compliance with laws and regulations in Mandatum Group, monitors significant litigations of Group companies, supervises communications with the various regulatory authorities based on the reporting addressed to the Committee, and executes any other duties that may be bestowed upon it by the Board of Directors.

5.2 REMUNERATION COMMITTEE

In accordance with its charter, the Remuneration Committee of the Board of Directors comprises at least three members elected by the members of the Board from among themselves, the majority of whom must be independent of the company.

In 2024, the Chair of the Remuneration Committee was **Jannica Fagerholm**. The other members were **Patrick Lapveteläinen** and **Jukka Ruuska**.

The Remuneration Committee convened four times in 2024. Details of the members' attendance at Remuneration Committee meetings from 1 January to 31 December 2024 are presented in the table below.

Name	Attendance (%)	Meetings
Jannica Fagerholm	100	4/4
Patrick Lapveteläinen	75	3/4
Jukka Ruuska	100	4/4

Main duties of the Remuneration Committee

The Remuneration Committee is entrusted to prepare and present proposals for the General Meeting on the Remuneration Policy for Governing Bodies of Mandatum plc and the Remuneration Report for Governing Bodies. The Shareholders' Nomination Board inspects the Remuneration Policy for Governing Bodies with regard to the remuneration of the Board members prior to the General Meeting.

The Remuneration Committee also prepares for the Board's decision Mandatum Group's Remuneration Principles, Mandatum Group's long-term incentive schemes, maximum payouts of long-term incentive schemes and short-term incentive programs, as well as the actual payments to be made.

Furthermore, the Committee prepares proposals for the Board of Directors on the remuneration of the full-time Chair of the Board, the Group CEO and the Group Management Team, and monitors the functioning of Mandatum Group's reward and compensation schemes.

6 SHAREHOLDERS' NOMINATION BOARD

The Shareholders' Nomination Board (the "**Nomination Board**") is a body of Mandatum plc's shareholders, responsible for annually preparing proposals to the Annual General Meeting for the election and remuneration of the members of the Board of Directors and the remuneration of the Board committees and the Nomination Board. The Nomination Board is also responsible for ensuring that the Board of Directors and its members maintain and represent a sufficient level of expertise, knowledge and competence for the needs of Mandatum and are able to commit sufficient time to perform their duties.

The responsibilities of the Nomination Board include:

- preparing and presenting a proposal to the Annual General Meeting on the number of the members of the Board of Directors in accordance with the Articles of Association;
- preparing and presenting a proposal to the Annual General Meeting on the Chair, Vice Chair and members of the Board of Directors;
- reviewing Mandatum plc's Remuneration Policy for Governing Bodies in respect of

the remuneration of the members of the Board of Directors;

- preparing and presenting a proposal to the Annual General Meeting on the remuneration of the members of the Board of Directors as well as a proposal on the remuneration of the Board committees and the Nomination Board in accordance with Mandatum plc's Remuneration Policy for Governing Bodies; and
- evaluating the succession plan for the Board of Directors and seeking successor candidates for the members of the Board of Directors.

In its work, the Nomination Board shall comply with applicable laws and regulations, including the rules of Nasdaq Helsinki and the Corporate Governance Code. The Charter of the Nomination Board is available on Mandatum's website [mandatum.fi/en](https://www.mandatum.fi/en).

The Nomination Board consists of four members, three of which represent Mandatum's three largest shareholders who, at the closing of Nasdaq Helsinki's last trading day in August preceding the next Annual General Meeting, hold the largest number of votes calculated of all shares in

the company. The Chair of the Board of Directors acts as the fourth member of the Nomination Board as an expert member. Should a shareholder not wish to use its nomination right, the right is transferred to the next largest shareholder who would otherwise not have a nomination right. As recommended by the Corporate Governance Code, the company also takes into account in the selection process those shareholders who, under the Finnish Securities Markets Act (746/2012, as amended), have an obligation to disclose their shareholdings (flagging obligation) that are divided into several funds or registers, or who hold nominee-registered shares, if they make a written request to the Chair of the Board of Directors no later than on the date on which the composition is determined. A sufficient and reliable account of the right of ownership concerning nominee-registered shares or of an obligation under the Securities Markets Act to take the holdings into account must be appended to the request.

Composition of the Nomination Board

The following members were appointed to Mandatum plc's Nomination Board on 3 October 2024 based on shareholdings on 30 August 2024: Øistein Widding (appointed by

Altor Invest 8 AS), Risto Murto (appointed by Varma Mutual Pension Insurance Company) and Esko Torsti (appointed by Ilmarinen Mutual Pension Insurance Company). Patrick Lapveteläinen, Chair of the Board of Directors, acted as the fourth member of the Nomination Board as an expert member. The Nomination Board elected Risto Murto as Chair from among its members, and the composition was published by the company in a stock exchange release on 3 October 2024. Prior to the confirmation of the new composition of the Nomination Board on 3 October 2024, the composition of the Nomination Board in 2024 was as follows: Risto Murto (Chair, appointed by Varma Mutual Pension Insurance Company), Herman Korsgaard (member, appointed by Altor Invest 8 AS) and Patrick Lapveteläinen (expert member, Chair of the Board of Directors of Mandatum plc). Petter Söderström, appointed by Solidium Oy, served as the Chair of the Nomination Board until 15 February 2024 and resigned from his position after Solidium Oy sold all its shares in Mandatum plc on 15 February 2024. The Nomination Board convened four times during 2024, and the attendance rate of the members who served in the Nomination Board at the time was 100 per cent.

Shareholders and their appointed representatives in the Nomination Board

Shareholder	Shares 31 Aug 2024	Shares 31 Dec 2024	Representative
Altora Invest 8 AS	50,200,000 (nominee-registered shares)	50,200,000 (nominee-registered shares)	Øistein Widding Born 1969, MSc (Industrial Engineering), MBA, male Altora Equity Partners AS , Partner Shareholding in Mandatum plc 31 Dec 2024: 0 shares
Varma Mutual Pension Insurance Company	22,248,420	22,248,420	Risto Murto Born 1963, Ph.D. (Econ.), male Varma Mutual Pension Insurance Company , CEO Shareholding in Mandatum plc on 31 December 2024: 4,449 shares
Ilmarinen Mutual Pension Insurance Company	11,273,974	15,288,514	Esko Torsti Born 1963, Lic.Soc.Sc, male Ilmarinen, Mutual Pension Insurance Company , Director (Private Equity) Shareholding in Mandatum plc on 31 December 2024: 5,930 shares

The shareholders' representatives presented in the table did not have holdings in any Mandatum plc share-based rights.

Information on Patrick Lapveteläinen, who serves as the fourth member of the Nomination Board as an expert member, is presented in [section 4 "Board of Directors"](#) above.

7 GROUP CEO

Mandatum plc has a Managing Director who is simultaneously the Group CEO of Mandatum Group. Mandatum plc's Board of Directors elects and dismisses the Group CEO and decides on the terms of their service and other compensation.

The Group CEO is in charge of the daily management of Mandatum plc in accordance with the instructions and orders given by the Board of Directors. The duties of the Group CEO include, among other things, the management and supervision of the Group's business, preparation of matters to be addressed by the Board of Directors and implementation of the Board's decisions. The Group CEO is empowered to take extraordinary and broad-ranging actions, taking into account the scope and nature of Mandatum's operations, only upon authorisation by the Board of Directors. The Group CEO is responsible for ensuring the legal compliance of Mandatum's accounting and the reliable organisation of wealth management.

The company's Managing Director, and Group CEO is **Petri Niemisvirta**, Master of Laws.



8 MANDATUM GROUP MANAGEMENT TEAM

The Group CEO has appointed Mandatum's Group Management Team, which supports the Group CEO in preparing strategic questions concerning Mandatum Group, in processing significant or fundamental operative matters, and in ensuring internal communications.

In particular, the Management Team addresses Mandatum Group's strategy, profit development, large purchases and projects, Mandatum Group's structure and organisation, as well as key strategic issues pertaining to administration and personnel. The Management Team typically convenes once a month.

Mandatum plc shares and share-based rights held by the Group CEO and members of the Management Team

On 31 December 2024, the Group CEO and the members of the Management Team held shares in Mandatum plc directly or through entities under their control as follows:

Petri Niemisvirta	189,600
Matti Ahokas	19,213
Juhani Lehtonen	18,414
Sanna Rajaniemi	31,510
Petri Vieraankivi	23,639
Tarja Tyni	85,482
Jukka Kurki	40,805

The Group CEO and other members of the Management Team did not have holdings in any Mandatum plc share-based rights.

In 2024, the Mandatum Group Management Team comprised the following persons:



Petri Niemisvirta, Group CEO

- Born 1970, LL.M, male
- Positions of trust
 - **Mandatum Life Insurance Company Limited**, Chair of the Board
 - **Kaleva Mutual Insurance Company**, Chair of the Board
 - **Midaxo Ltd**, Chair of the Board
 - **Enento Group Plc**, Chair of the Shareholders' Nomination Board
 - **Confederation of Finnish Industries (EK)**, Finance and Tax Committee, Member
- Member of the Mandatum Group Management Team since 2023



Matti Ahokas, Group CFO

- Born 1972, M.Sc. (Econ), male
- Positions of trust
 - **Mandatum Life Insurance Company Limited**, Vice Chair of the Board
 - **Mandatum Asset Management Ltd**, Vice Chair of the Board
 - **SRV Yhtiöt Oyj**, Board Member, Member of the Audit Committee
- Member of the Mandatum Group Management Team since 2024



Juhani Lehtonen, CIO, Interim Head of Institutional & Wealth Management

- Born 1975, M.Soc.Sc., male
- Positions of trust
 - **Mandatum Asset Management Palvelut Oy**, Chair of the Board
- Member of the Mandatum Group Management Team since 2023



Sanna Rajaniemi, Senior Vice President, Head of Private Customers' Alliances, Services and Development (appointed as Group COO as of 28 Jan 2025)

- Born 1970, M.Sc. (Tech.), female
- Positions of trust
 - **Mandatum Life Services Ltd**, Managing Director
- Member of the Mandatum Group Management Team since 2023



Petri Vieraankivi, Senior Vice President, Strategic Planning (appointed Head of Retail Customers as of 28 Jan 2025)

- Born 1967, M.Sc. (Econ.), male
- Member of the Mandatum Group Management Team since 2023



Tarja Tyni, Senior Vice President, Corporate and Private Wealth Clients

- Born 1964, LL.M., female
- Positions of trust
 - **Mandatum Incentives Oy**, Chair of the Board
 - **Finnish Securities Market Association**, Member of the Takeover Board
- Member of the Mandatum Group Management Team since 2023



Jukka Kurki, CEO of Mandatum Life Insurance Company Ltd

- Born 1968, Lic. Phil., FSAF, male
- Positions of trust
 - **Mandatum Life Services Ltd**, Chair of the Board
- Member of the Mandatum Group Management Team since 2023

9 INTERNAL CONTROL IN MANDATUM GROUP

Internal control refers to all activities that ensure that Mandatum Group's business activities are carried out towards the desired targets in accordance with desired policies and practices and in compliance with applicable legal and regulatory requirements. Accordingly, the tasks of internal control are performed by different actors within the organisation, starting from the top management.

In addition to managing business-related risks, Mandatum Group's internal control system also encompasses the management of operational and compliance risks. Internal control is a process comprising tasks and functions with the aim of providing reasonable assurance of the achievement of the organisation's objectives related to operations, reporting and compliance. The internal control model applied in Mandatum Group is based on two specific frameworks: the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control – Integrated Framework and the three lines model of The Institute of Internal Auditors (IIA).

In order to ensure the proper running of operations, Mandatum plc's Board of Directors has approved Group-level policies and guidelines concerning Mandatum Group's corporate governance, financial target setting, remuneration, risk management, compliance, reporting and internal audit in conformity with and supplementing the existing legal and regulatory frameworks. With the policies and guidelines, Mandatum plc's Board directs the Group's activities towards desired practices and, with appropriate control mechanisms provided by the policies, ensures that potential deviations are discovered without undue delay.

9.1 FINANCIAL REPORTING

Mandatum Group's financial reporting process aims to ensure that the executive management have timely and reliable information to support their decision-making and that also external stakeholders can rely on the financial information provided to them.

To ensure reliable reporting, the databases used for reporting are reconciled monthly, and the efficiency and accuracy of the process are further supported by a number of systems and analytical tools.

Mandatum's group-level financial reporting is organised under the Management Accounting and External Accounting units operating under the Group Chief Financial Officer. The Management Accounting unit is responsible for preparing and monitoring the Group's and parent company's strategic targets and forecasts and for monthly earnings monitoring and reporting.

The role of External Accounting is to produce the monthly income statements and balance sheets of Mandatum Group's most significant subsidiaries for tax calculations in accordance with Finnish accounting standards (Finnish GAAP). External Accounting is also responsible for preparing Mandatum Group's interim reports and financial statements in accordance with International Financial Reporting Standards (IFRS).

9.2 INSIDER ADMINISTRATION

Mandatum plc's Board of Directors has approved Mandatum Group's Insider Policy, which takes into account the Group's business area and extensive investment activities as well as listed company obligations. The Insider Policy is available on Mandatum's website [mandatum.fi/en](https://www.mandatum.fi/en). The policy is binding on all Mandatum

Group employees and the members of the Board of Directors. The Insider Policy takes into account current supranational regulation, such as the Market Abuse Regulation (Regulation (EU) No 596/2014 (MAR) of the European Parliament and of the Council), as well as applicable national regulation, including Nasdaq Helsinki's Guidelines for Insiders and the Financial Supervisory Authority's regulations, statements and interpretations. Mandatum Group's Insider Policy is stricter than Nasdaq Helsinki's guidelines for Mandatum's Group Management Team and the Group employees who work on quarterly reports and other financial reports or who have access to the aforementioned documents prior to their publication, so that they cannot acquire or sell Mandatum's financial instruments during the so-called closed window (30 day period before the release of a listed company's financial reporting). Trading by these persons in any financial instrument is also restricted by a short-term prohibition, meaning that the time between the acquisition and sales or sales and acquisition of the same financial instrument must be at least 30 days.

In addition to regulatory supervision, compliance with the obligations arising from the Insider Policy and the underlying legislation is supervised in Mandatum Group by the Insider Administration, a group function centralised in Mandatum plc and led by the person in charge of insider matters.

9.3 PRINCIPLES FOR RELATED PARTY TRANSACTIONS

Mandatum assesses and monitors the transactions carried out with its related parties to ensure that any conflicts of interest are addressed appropriately in decision-making. Mandatum plc's Board of Directors has approved Mandatum Group's internal policy concerning related party transactions, which aims to ensure that Mandatum has effective mechanisms in place to identify, manage, monitor and report related party transactions.

As a rule, Mandatum Group companies may not enter into agreements or transactions with their related parties on terms that differ from those normally applied by the Group company in question, or which are otherwise commercially unjustified or favourable to certain parties. All related party transactions must be agreed in writing and in the ordinary course of business.

Mandatum Group's related party transactions are typically related to purchases of internal services or related to other services or products that are part of the ordinary business of the Group company. Related party transactions that are not part of the company's ordinary course of business or are carried out in deviation from customary commercial terms, require a decision by the Board of Directors before they are carried out.

Mandatum Group maintains a register of Mandatum Group's related parties and reported related party transactions. Related party transactions are reported annually to the Audit Committee of the Board of Directors, and the Audit Committee monitors and evaluates how agreements between Mandatum and its related parties and other legal actions meet the requirements of being part of Mandatum's ordinary course of business and conducted at arm's length principle.

9.4 RISK MANAGEMENT

The Board of Directors of Mandatum plc is responsible for ensuring that the Group's risks are properly managed and controlled. The Board establishes both the Group-level risk management policies and the remuneration principles closely connected with them and provides guidance on risk management and internal control for the business areas. The Audit Committee of the Board of Directors is responsible for preparing Mandatum Group's Risk Management Policy. The Remuneration Committee of the Board of Directors is responsible for preparing the remuneration principles, which are closely connected to risk management. Working within the framework of these principles and guidelines, the subsidiaries tailor their risk management practices to take account of the special features of their respective business activities.

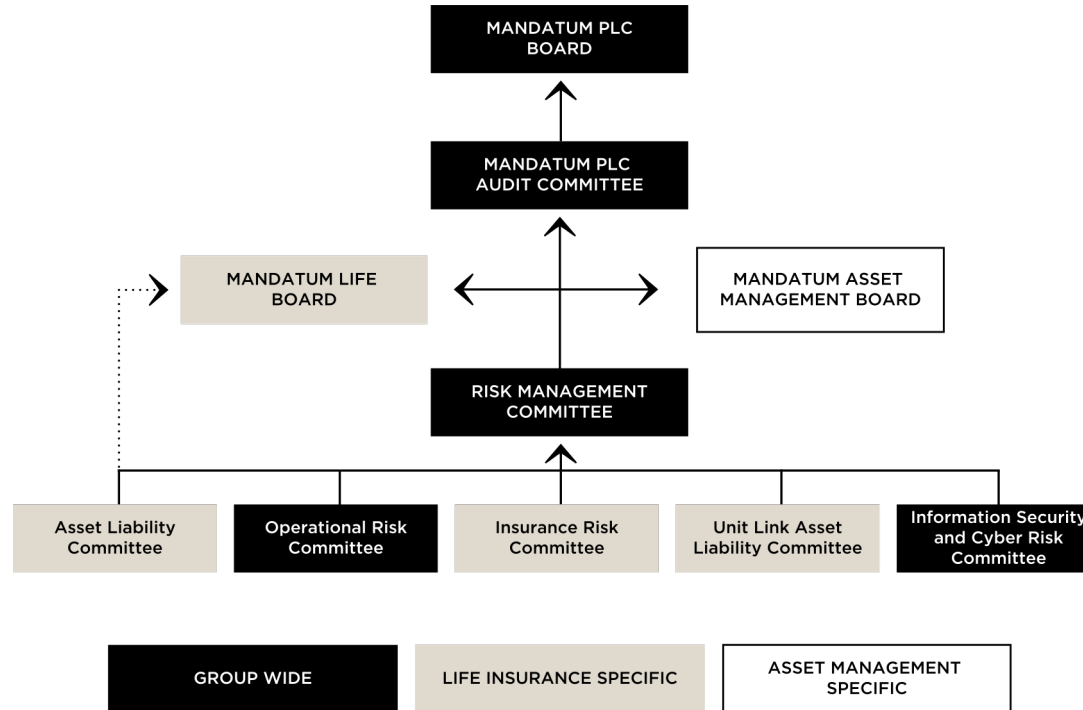
The Board makes decisions on business strategy, performance targets and overall guidelines regarding risk-taking and capital management.

The goal of risk management in Mandatum plc and all its subsidiaries is to ensure a stable and well-understood risk management culture in each company and to ensure that risks are identified, assessed, managed, monitored and reported and that the actions are in the correct proportion related to the risks' effect on short-term and long-term financial results. Moreover, the company regularly assesses its own risk and solvency position with the aim of ensuring that Group companies have adequate buffers for the capital requirements set by the authorities and that they also maintain operational capabilities also under financial turmoil. The company's Board of Directors steers the preparation of this risk and solvency assessment. Successful risk management supports the general efficiency, safety and continuity of operations and secures Mandatum's reputation and reliability in the eyes of customers and stakeholders.

In Mandatum Group, the risk management function is part of the second line in accordance with the company's internal control principles. The main task of the risk management function is to ensure that the Group has a functional, efficient and high-quality risk management process and to attend to its maintenance and development. A central method for this is to support the business units in risk management. The risk management function also conducts threat and risk analyses based on a risk register created on the basis of identified risks, and compiles and disclosure reports on the Group's risk position and level as a whole, making proposals for actions based on it.

In order to ensure the achievement of the objectives set for risk management, Mandatum Group has a separate Risk Management Committee structure (see figure on right). Both business unit representatives (first line) and representatives of the risk management and compliance functions are represented on the committees. Different risk areas are discussed in dedicated committees to ensure a sufficiently comprehensive review of risks. The Group CEO acts as the Chair of Mandatum Group's Risk Management Committee, and other members of the Group Management Team are also represented. The risk management function facilitates the practical arrangements of this committee.

Mandatum Group's risk management governance framework



Risk management process



The process applied in risk management is illustrated in the figure on left. In Mandatum Group, organisational units carry out a comprehensive self-assessment of risks and controls once a year. For the most significant risks, the analysis is updated quarterly. The Group also has a change risk assessment process, where a separate risk analysis is carried out in connection with significant changes in functions or processes. The reporting process for realised risk incidents supports the process described above.

9.5 COMPLIANCE

At Mandatum, compliance is at the core of all activities and the responsibility of each Mandatum employee. The purpose of the separate compliance function is to support business activities, ensuring the compliance with applicable regulations and ethically sustainable conduct in all Group operations.

The starting point of Mandatum Group’s compliance principles approved by Mandatum plc’s Board of Directors is that compliance with norms is an established part of Mandatum’s corporate culture, and the principles ensure that compliance activities are properly organised and that Mandatum is capable of responding to the changing requirements of the business environment. In addition to public compliance principles, the Boards of the Group companies have approved an internal compliance policy concerning the

arranging of the compliance function and its responsibilities in Mandatum Group.

The independent second-line compliance function is part of Mandatum’s corporate governance and risk management system and internal control. The compliance function supports Mandatum’s Boards of Directors, Audit Committee and management, ensuring that Mandatum Group companies have the necessary internal guidelines, processes, resources and tools to comply with binding laws, regulations and guidelines. The compliance function is also involved in identifying the organisation’s risks by assessing compliance risks.

9.5.1 Whistleblowing

Mandatum Group has an electronic whistleblowing channel through which suspected breaches and misconduct can be reported. The channel is public and open to Mandatum’s employees and stakeholders that through their work observe possible breaches and misconduct. Reports can be submitted anonymously in the whistleblowing channel. Mandatum complies with applicable whistleblower protection legislation in processing the reports and guarantees the required safeguards and controls to protect the whistleblower’s personal data and to ensure that no retaliation is carried out against the whistleblower as a result of the report.

9.6 INTERNAL AUDIT

Internal Audit is a function independent of business operations which objectively evaluates the efficiency and effectiveness as well as the maturity of the internal control system within Mandatum Group. Internal Audit helps the business operations to accomplish their objectives through a systematic approach to evaluating and improving the effectiveness of the risk management, control and governance processes. Internal Audit is a Group function organised under the Board of Directors of Mandatum plc, and it reports to the Board and its Audit Committee. Administratively, Internal Audit operates under the Group CEO. The function is managed by the Group Chief Audit Executive, who is appointed by Mandatum plc's Board of Directors. Internal audit functions are established in each Group company as regulations demand and are approved by the respective Board of Directors.

The audit work is carried out in accordance with Mandatum Group's Internal Audit Policy, approved by the Board of Directors of Mandatum plc and confirmed by each licensed Group company. According to the policy, the Internal Audit complies with the International Standards for the Professional Practice of Internal Auditing confirmed by the Institute of Internal Auditors (IIA) as applicable. The Group CAE is responsible for ensuring that the internal audit functions have an extensive quality assurance and

development program in place. The external quality assessment of the function is carried out every five years.

Internal Audit establishes internal audit activity plans for the licensed Group companies. The plans are updated annually and approved by the Board of Directors in the respective legal entity, after which they are confirmed by Mandatum plc's Audit Committee. The approach is risk-based and takes into consideration relevant strategic focus areas of the business. The external auditor is also informed about the internal audit activity plans.

Internal Audit reports on the audits and follow-up activities performed to the Board of Directors of the legal entities at least twice a year and to Mandatum plc's Audit Committee quarterly. These reports include any significant deficiencies detected and the risks related to corrective management actions not being taken. In addition, the Internal Audit function prepares separate annual reports for Mandatum Group and each licensed Group company.

9.7 AUDITOR

- **Deloitte Ltd**, Authorised Public Accountant Firm
- **Reeta Virolainen**, Authorised Public Accountant, principally responsible auditor

Audit firm Deloitte Ltd acted as Mandatum Group's auditor in 2024. The fees paid by Mandatum Group companies to Deloitte Ltd for statutory audit services in 2024 totalled approximately EUR 1.0 million. In addition, Mandatum Group companies paid the auditor a total of approximately EUR 0.1 million for auditor's statements and approximately EUR 0.1 million for other services. In 2024, Deloitte Ltd was paid a total of approximately EUR 301 thousand in invoiced fees for statutory audit services concerning Mandatum plc. Mandatum plc paid Deloitte Ltd approximately EUR 6 thousand for auditor's statements and approximately EUR 99 thousand for assurance of sustainability reporting.

Deloitte Ltd, Authorised Public Accountant Firm, with APA Reeta Virolainen as the principally responsible auditor, were re-elected as Mandatum plc's Auditor at the Annual General Meeting held on 15 May 2024. APA Reeta Virolainen has acted as the principally responsible auditor of Mandatum Group since May 2021.

REMUNERATION REPORT

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DEAR SHAREHOLDERS

As Chair of the Remuneration Committee, I am pleased to present Mandatum’s Remuneration Report for Governing Bodies for the financial year 2024. The report outlines the application of the Remuneration Policy for Governing Bodies and presents information on the remuneration of the members of the Board of Directors and the Group CEO in 2024.

The Remuneration Report for Governing Bodies 2023 was presented at Mandatum plc’s Annual General Meeting (AGM) on 15 May 2024. In addition, our proposal for the Remuneration Policy for Governing Bodies, which defines the main principles and framework for the remuneration of the members of the Board of Directors and the Group CEO, was presented at the 2024 AGM. The AGM resolved to support both the report and the policy with an advisory resolution. I would like to thank you for your support at the 2024 Annual General Meeting.

YEAR 2024 WAS SUCCESSFUL FOR MANDATUM

The year 2024 was Mandatum’s first calendar year as an independent listed company. The year was successful for Mandatum, and business continued to grow

in several areas. In addition to business growth, Mandatum’s solvency remained strong and we are still a highly capitalised company.

Mandatum Group’s 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. In addition, we achieved an annual net flow of close to a billion euros. The Group’s client assets under management grew to EUR 14 billion.

One of the key events of the year was the directed share issue for Mandatum’s personnel, announced in August. The personnel offering was significantly oversubscribed, with more than half of the employees, a total of 394 persons including the Group CEO, subscribing to company shares. We were delighted to see that so many Mandatum employees participated in the offering and that the demand for the company share was strong among the personnel. This reflects the employees’ commitment to the company, its strategy and goals.



Jannica Fagerholm, Chair of the Remuneration Committee and Vice Chair of the Board of Directors

REMUNERATION IS LINKED TO FINANCIAL PERFORMANCE AND SUSTAINABILITY

Remuneration systems at Mandatum have been designed to enhance the company's long-term financial performance and sustainable business. The performance metrics and criteria used in remuneration schemes are based on the Group's strategy, goals and commitment to responsible business, strengthening the link between remuneration and performance, while considering both quantitative and qualitative performance criteria.

In the 2024 short-term incentive program, two of the company's key financial figures, net flow and fee result, were part of the performance metrics for every employee and member of the Group Management Team. The performance metrics of the short-term incentive program also included customer satisfaction as an ESG-metric for the Group CEO and all employees covered by the program. The customer satisfaction (NPS) was on an excellent level in 2024. In addition to the Group's common ESG-metric, the short-term incentive program included also other ESG targets that varied depending on the role and responsibilities.

In 2024, we also launched two long-term performance share-based incentive programs, in which we incorporated a sustainability target as one of the performance metrics. The other performance metrics in the plans include the absolute total shareholder return of the company's share and performance of Mandatum's capital-light business, which are both key indicators to reflect the Group's long-term financial performance and profitability. The long-term incentive scheme is directed to the Group Management Team and selected key employees, and its purpose is to align the objectives of the shareholders and key employees in order to increase the company's shareholder value in the long-term, commit key employees to implementing the company's strategy, and reward excellent performance.

We aim to continuously develop our remuneration practices, and we are committed to ensuring that the remuneration is aligned with the Group's strategy and targets. During 2024, we continued to separate our remuneration from the previous linkage to Sampo. Mandatum now has its own remuneration principles, Remuneration Policy for Governing Bodies and a long-term incentive scheme, all of which support the Group's long-term success.

We remain committed to the continued development of our remuneration systems and will actively follow market practices also going forward.

Jannica Fagerholm

Chair of the Remuneration Committee and
Vice Chair of the Board of Directors

INTRODUCTION

This Remuneration Report for Governing Bodies (the “**Remuneration Report**”) for the financial period 2024 has been prepared in accordance with the Corporate Governance Code 2025 approved by the Securities Market Association, and the Decree 608/2019 of the Ministry of Finance. The Remuneration Report will be presented to the Annual General Meeting for an advisory resolution in May 2025.

The Remuneration Report covers the remuneration of Mandatum plc’s (hereafter also referred to as “**Mandatum**” or the “**Company**”) Board of Directors and the Group CEO (hereafter referred to as the “**CEO**”) and the application of the Remuneration Policy for Governing Bodies. The paid and earned remuneration and other financial benefits are reported excluding social expenses.

This Remuneration Report is published in Finnish and English. In the event of any discrepancy between language versions, the Finnish version shall prevail.

APPLICATION OF THE REMUNERATION POLICY FOR GOVERNING BODIES DURING THE FINANCIAL PERIOD

The remuneration of the Group CEO and the members of the Board of Directors is based on the Remuneration Policy for Governing Bodies, which defines the key principles and decision-making processes for the remuneration of the governing bodies. During the period from **1 January to 15 May 2024**, similar principles as defined in Sampo plc’s Remuneration Policy for Governing Bodies, in force at the time, were applied to the remuneration of Mandatum plc’s Group CEO and members of the Board of Directors. The remuneration of Mandatum’s governing bodies deviated from Sampo plc’s Remuneration Policy for Governing Bodies, in force at the time, only in the following respects:

- The Chair of the Board of Directors is employed by Mandatum plc. In addition to the remuneration paid based on the Board membership, the Chair is entitled to a fixed salary, phone benefit and other ordinary benefits, as well as a supplementary defined contribution pension arrangement. The employment-based remuneration of the full-time Chair

of the Board of Directors is decided by the independent members of the Board of Directors.

- The Group CEO is entitled to a severance pay corresponding to 18 months’ fixed salary in addition to the salary for the notice period if the company terminates the Group CEO’s service contract without a reason attributable to the Group CEO, that constitutes grounds for cancellation as stipulated in the Employment Contracts Act.

The above-mentioned Remuneration Policy for Governing Bodies of Sampo plc, which Mandatum applied until 15 May 2024, permitted a temporary deviation from the policy by a decision of the Board of Directors in order to secure the Group’s long-term interests in circumstances including e.g. a corporate reorganisation.

During the period from **15 May to 31 December 2024**, the remuneration of the governing bodies complied with Mandatum’s Remuneration Policy for Governing Bodies, approved by the Annual General Meeting on 15 May 2024. There were no deviation from the Policy during the aforementioned period.

No remuneration paid to the members of the Board of Directors or the Group CEO was clawed back during the financial year 2024.

REMUNERATION AND THE COMPANY’S LONG-TERM FINANCIAL PERFORMANCE

Remuneration at Mandatum has been designed to enhance the company’s financial performance and sustainable business. Mandatum’s remuneration systems are fair and encouraging, and they are aligned with the risk management principles. In the remuneration systems, consideration is given to how the selected performance criteria enhance the execution of the Group’s strategy and achievement of goals, as well as promote the key areas identified in the sustainability strategy.

The objective of the remuneration is to attract and commit talented and motivated employees and encourage them to perform their best and surpass the targets set for them. Variable remuneration is used to ensure the competitiveness of the remuneration packages and to support the implementation of the company’s strategy and achievement of the targets. A significant part of the Group CEO’s total

remuneration is based on the earning potential of performance-based variable remuneration, which strengthens the link between performance and remuneration. The financial and non-financial performance criteria for variable remuneration are aligned with the company's strategy and value development, thus contributing to achieving the company's key strategic goals and long-term financial success.

The Group CEO participates in Mandatum's long-term performance-based share plan, the purpose of which is, among other things, to align the objectives of the shareholders and the Group CEO. Furthermore, to align the interests of the Board of Directors and the shareholders, 40 per cent of the Board members' annual fees were paid in Mandatum shares in August 2024 in accordance with the resolution of the Annual General Meeting.

REMUNERATION AND THE COMPANY'S FINANCIAL PERFORMANCE

The following table presents the remuneration of the members of the Board of Directors and the Group CEO, as well as the average remuneration of the employees. Furthermore, the table includes financial indicators describing the financial performance of Mandatum Group.

Mandatum plc was incorporated on 1 October 2023, and the remuneration figures for 2023, presented in the table, are based on the company's first financial period from 1 October to 31 December 2023. For this reason, there is no full comparison period available for the 2024 remuneration figures. Comparative data for five years will be compiled in the table by adding one financial period at a time, starting from the first financial period.

Remuneration (EUR)¹	Q1-4/2024	Q4/2023
Remuneration of the Chair of the Board of Directors ²	661,184	187,000
Remuneration of the Vice Chair of the Board of Directors	68,200	39,000
Remuneration of the other members of the Board of Directors in total	301,800	138,200
Remuneration of the Group CEO	1,869,682	160,127
Average remuneration of Mandatum Group employees ³	100,150	18,130
Financial key figures	2024	2023
Earnings per share (EUR)	0.33	0.32
Group's profit before taxes for the financial year (EUR million)	202.9	210.4
Client assets under management (EUR million)	13,957	11,892
Net flow (EUR million)	983.1	753.8
Solvency ratio (%)	210.4	221.4

1) The remuneration figures for 2023 are based on Mandatum plc's first financial period from 1 October to 31 December 2023.

2) The remuneration of the Chair of the Board of Directors, Patrick Lapveteläinen, includes the employment-based remuneration (fixed salary, phone benefit and supplementary pension) and the fees paid based on the Board membership. A more detailed breakdown of the remuneration is presented in the section Remuneration of the Board of Directors.

3) The average remuneration of Mandatum Group employees has been calculated by dividing the total amount paid in salaries, variable remuneration, taxable fringe benefits and supplementary pension contributions during the financial period by the average number of employees (FTE) in the same period.

REMUNERATION OF THE BOARD OF DIRECTORS

The General Meeting of Mandatum plc decides on the remuneration of the members of the Board of Directors. The remuneration of the Board of Directors for the 2024–2025 term of office was resolved by Mandatum’s Annual General Meeting (AGM) on 15 May 2024 in accordance with the proposal prepared by the Shareholders’ Nomination Board. Based on the resolution of the AGM, the members of the Board of Directors are paid the following fees for the term of office 2024–2025:

- The Chair of the Board an annual fee of EUR 70,000, the Vice Chair of the Board and the Chairs of the Committees an annual fee of EUR 60,000, and other members of the Board an annual fee of EUR 47,000.
- A meeting fee of EUR 800 per meeting will be paid for Board and Committee meetings. However, if a Board member is physically present at a Board or Committee meeting that is held in a country other than his/her permanent home country, the meeting fee is EUR 1,600.

The annual fees were paid as a combination of Mandatum shares and cash in such a way that 40 per cent of the remuneration was paid in company shares and the remainder

was paid in cash. The shares were acquired in public trading on behalf and in the name of the Board members in August 2024. The company was responsible for the costs and transfer taxes related to the acquisition of the shares. A Board member may not dispose of the shares received until two years have passed from the date of receipt, or until the member’s tenure with the Board ends, whichever occurs first.

During 2024, the Board members were also paid fees from the Board’s previous term of office, from 1 October 2023 to 15 May 2024. The fees paid based on the aforementioned term and the meeting fees from year 2023 were paid in February 2024.

During 2024 the composition of the Board of Directors increased by one member, when the AGM elected Herman Korsgaard as a new member of the Board. No other changes were made to the composition of the Board of Directors during 2024. With the exception of the full-time Chair of the Board, the members of the Board of Directors are not in an employment or service relationship with Mandatum. Members of the Board of Directors are not covered by Mandatum’s incentive schemes.

REMUNERATION OF THE FULL-TIME CHAIR OF THE BOARD OF DIRECTORS

The full-time Chair of the Board of Directors, Patrick Lapveteläinen, is employed by the company. The employment-based remuneration of the full-time Chair of the Board is determined by the independent members of the Board of Directors, within the limits set out in the Remuneration Policy for Governing Bodies.

In 2024, the remuneration of the full-time Chair of the Board consisted of a fixed monthly salary, a supplementary defined contribution pension plan and other ordinary financial benefits in addition to the fees paid based on the Board membership. The full-time Chair of the Board is not covered by Mandatum’s short- or long-term incentive schemes.

The fixed monthly salary of the full-time Chair of the Board was EUR 25,000 in 2024. The fixed salary was set on 1 October 2023. No changes were made to the salary during 2024. The fixed salary is based on the responsibilities of the position and the work experience of Patrick Lapveteläinen.

The company pays a fixed amount into the supplementary pension plan annually. When determining the pension contribution level paid by the company, the fixed salary level and the prior supplementary defined benefit pension plan of Patrick Lapveteläinen, to which he was entitled to as a member of Sampo Group Executive Committee, were taken into consideration. In accordance with the terms of the supplementary pension agreement, the annual contribution was index adjusted as of 1 January 2024. During the financial year, the company paid EUR 262,675 in pension contributions into the supplementary pension plan. Patrick Lapveteläinen is entitled to the supplementary pension as of the age of 60.

The other financial benefits of the full-time Chair of the Board included a phone benefit and insurance benefits, such as health, travel, accident and management liability insurance during the financial year. The employment contract of the full-time Chair of the Board, Patrick Lapveteläinen, is in force for a fixed period until the AGM prior to which Lapveteläinen has turned 60, but in any case, no longer than the time that he acts as the Chair of the Board of the company.

Remuneration of the members of the Board of Directors in 2024 (EUR)

Board member	Remuneration for the year 2024					Previously earned fees (paid in February 2024)				
	Annual fee for the term 2024-2025 ²	Meeting fees 2024 ³	Other salaries ⁴	Supplementary pension	Total remuneration	Fee based on the term from 1 Oct 2023 to 15 May 2024	Meeting fees 2023	Fees earned from other Group companies in 2023 ⁵	Total remuneration	Total remuneration paid in 2024
Patrick Lapveteläinen , full-time Chair of the Board of Directors and member of the Remuneration Committee	70,000	10,100	318,409	262,675	661,184	42,000	7,500	-	49,500	710,684
Jannica Fagerholm , Vice Chair of the Board of Directors and Chair of the Remuneration Committee	60,000	8,200	-	-	68,200	36,000	3,000	-	39,000	107,200
Johanna Lamminen , Chair of the Audit Committee	60,000	12,000	-	-	72,000	36,000	5,000	-	41,000	113,000
Markus Aho , Member of the Audit Committee	47,000	10,800	-	-	57,800	27,000	4,200	-	31,200	89,000
Jukka Ruuska , Member of the Remuneration Committee ¹	47,000	11,200	-	-	58,200	27,000	4,200	2,400	33,600	91,800
Kimmo Laaksonen , Member of the Board of Directors	47,000	8,600	-	-	55,600	27,000	3,000	2,400	32,400	88,000
Herman Korsgaard , Member of the Audit Committee	47,000	11,200	-	-	58,200	-	-	-	-	58,200
Total	378,000	72,100	318,409	262,675	1,031,184	195,000	26,900	4,800	226,700	1,257,884

1) Jukka Ruuska was a member of the Remuneration Committee and Audit Committee until 15 May 2024.

2) The annual fees were paid as a combination of Mandatum shares and cash in such a way that 40 per cent of the gross amount of the fee was paid in company shares and the remainder in cash.

3) For Jukka Ruuska and Kimmo Laaksonen, the meeting fees also include the fees paid for the Board meetings of Mandatum Holding Ltd held in 2024. The paid meeting fees amounted to EUR 1,200 in total for each Board member.

4) Other salaries include the employment-based fixed salary, holiday pay and phone benefit paid to the full-time Chair of the Board of Directors, Patrick Lapveteläinen, during the financial year 2024.

5) The fees earned from other Group companies include the meeting fees paid for the Board meetings of Mandatum Holding Ltd held in 2023.

The annual fee of the members of the Board of Directors for the term of office 2024-2025 was paid in cash and in Mandatum shares in such way that 40 per cent of the gross remuneration was paid in the company shares.

The shares were acquired in public trading in August 2024. At the payout of the fees that were based on the Board of Directors' previous term of office, commencing on 1 October 2023 and ending on 15 May 2024,

the Board members were obliged to acquire Mandatum plc's shares at the price paid in public trading for 50 per cent of the member's net fee. The shares were acquired in February 2024.

Board member	Acquired shares Aug/2024 (pcs) The term 2024-2025	Acquired shares Feb/2024 (pcs) The term from 1 Oct 2023 to 15 May 2024	The total number of the shares acquired as part of the Board fees (pcs)
Patrick Lapveteläinen	6,479	2,832	9,311
Jannica Fagerholm	5,553	2,538	8,091
Johanna Lamminen	5,553	2,583	8,136
Markus Aho	4,350	1,903	6,253
Jukka Ruuska	4,350	1,903	6,253
Kimmo Laaksonen	4,350	2,260	6,610
Herman Korsgaard	4,350	-	4,350
Total	34,985	14,019	49,004

REMUNERATION OF THE GROUP CEO

The Board of Directors of Mandatum plc decides on the remuneration of the Group CEO based on a proposal prepared by the Remuneration Committee. The Group CEO's

remuneration is based on the Remuneration Policy for Governing Bodies and it takes into consideration, when applicable, the Remuneration Principles for Mandatum

Group personnel. When determining the remuneration, market practices and the performance of the Group CEO are also taken into account.

The remuneration elements of the Group CEO

	The key principles of the Remuneration Policy for Governing Bodies	Information on the financial year
Fixed salary	<ul style="list-style-type: none"> The fixed salary is the basis of the remuneration package, and it shall form a sufficiently high share of the total remuneration to avoid over-dependency on variable remuneration. The fixed salary shall be reviewed annually. 	<ul style="list-style-type: none"> The Group CEO's fixed monthly salary was EUR 32,500 in 2024. When determining the fixed salary level, the Group CEO's supplementary pension plan has been taken into consideration. No changes were made to the salary during 2024.
Short-term incentives (STI)	<ul style="list-style-type: none"> The Board of Directors sets the qualitative and quantitative performance indicators as well as their relative weights and target levels at the beginning of the performance period. The performance period is the company's financial year. The performance indicators shall be based on the company's strategy and shall include both financial and non-financial indicators that support the execution of the strategy and promote responsible business. The payout of short-term incentives to the Group CEO may correspond to a maximum of 100% of the annual fixed salary during any given financial year. The possible rewards shall be paid in cash. Part of the payout shall be deferred as required in the regulatory framework applicable to Mandatum. 	<ul style="list-style-type: none"> The short-term incentive earned by the Group CEO in 2023 amounted to EUR 243,068, of which 40 per cent (EUR 97,227) was deferred for three years and the remainder was paid out in 2024. In addition, a short-term incentive of EUR 53,528, deferred in 2021, was paid to the Group CEO in 2024 after the three-year deferral period. In the 2024 short-term incentive program, a threshold value linked to the Group's profitability was exceeded that was a condition for the payment of rewards. The Group CEO's target outcome was 96.1% and the earned reward amounted to EUR 374,751. A total of EUR 224,851 will be paid in 2025 and the reminder (40 per cent of the incentive reward) will be deferred in cash for three years. In 2024, the earning opportunity of the Group CEO's short-term incentive was adjusted to a competitive market level within the limits set out in the Remuneration Policy for Governing Bodies. The Group CEO's short-term incentive may correspond to a maximum of 100% of the annual fixed salary as of 2024.

The key principles of the Remuneration Policy for Governing Bodies
Information on the financial year

Long-term incentives (LTI)	<ul style="list-style-type: none"> A threshold value and upper limit shall be set for the payouts from the incentive schemes. The Group CEO's payout opportunity is set at a competitive market level. If the performance, measured based on the indicators set for the incentive scheme, is good or excellent, the long-term incentives may have substantial weight in the Group CEO's total remuneration. The performance period for the incentives shall generally be at least three years. The reward may be paid in cash or in company shares, or as a combination thereof. Part of the payout to the Group CEO shall be deferred as required in the regulatory framework applicable to Mandatum. 	<ul style="list-style-type: none"> The long-term incentive paid to the Group CEO amounted to EUR 1,022,385 in 2024. Of the paid net reward, 50 per cent was deferred for three years in accordance with the terms of the incentive scheme. As the long-term incentive reward was paid from Sampo Group's long-term incentive scheme 2020, in which the Group CEO and key persons of Mandatum are taking part for historical reasons, the incentive reward was deferred as Sampo A shares. The incentive units allocated to Petri Niemisvirta in the scheme are based on his previous position as a member of Sampo Group's Executive Committee. The Group CEO, Petri Niemisvirta, participates in Mandatum's performance and share-based long-term incentive scheme (Performance Share Plan) that was launched in 2024. The first plan launched under the Performance Share Plan structure covers the financial years 2024–2026 and the possible rewards will be paid in 2027. In addition, the Group CEO participates in a transition phase share-based incentive plan (Bridge Plan), in which the performance period covers the financial years 2024–2025 and the possible rewards will be paid in 2026. In both plans, the rewards will be paid in Mandatum shares. The Group CEO has been allocated 260,000 shares in both share-based plans. The allocated shares are the maximum number of shares (gross) that can be earned from each plan if all the performance targets set for the plan are achieved in full.
Pension	<ul style="list-style-type: none"> In addition to a statutory pension, the Group CEO may be entitled to a supplementary defined contribution pension plan. 	<ul style="list-style-type: none"> The company pays a fixed amount as pension contribution into the Group CEO's supplementary defined contribution pension agreement annually. When determining the level of pension contribution paid by the company, the Group CEO's fixed salary level and his prior supplementary defined benefit pension plan, to which he was entitled to as a member of Sampo Group's Executive Committee, were taken into consideration. The Group CEO is entitled to the supplementary pension as of the age of 63. The pension contribution paid into the supplementary pension plan was EUR 262,675 during the financial year. In accordance with the terms of the supplementary pension agreement, the annual contribution was index adjusted as of 1 January 2024.
Other financial benefits	<ul style="list-style-type: none"> Other financial benefits shall be provided in accordance with the general market practice, and they may change from time to time. The other financial benefits may include fringe benefits and insurance benefits. 	<ul style="list-style-type: none"> During the financial year, the Group CEO's other financial benefits included fringe benefits, such as phone, apartment and meal benefits, as well as insurance benefits, such as health, travel and accident insurance. In accordance with the company's practice for all personnel, only phone and meal benefits of the fringe benefits were paid in addition to the fixed salary.
Shareholding recommendation	<ul style="list-style-type: none"> The Group CEO is recommended to accumulate and retain a holding in Mandatum shares corresponding to a value of at least the Group CEO's annual fixed salary. The Group CEO is recommended to retain half of the Mandatum shares received/acquired in accordance with the terms of the long-term incentive schemes until the shareholding requirement is met. 	<ul style="list-style-type: none"> The Group CEO's annual fixed salary was EUR 390,000 and the number of Mandatum plc's shares he owned at the end of year 2024 was 189,600. As the share price was EUR 4.48 per share on 31 Dec 2024, the Group CEO's shareholding corresponded to 218% of his annual gross fixed salary. Hence, the shareholding recommendation was fulfilled. The latest information on the Group CEO's shareholding is available on the website at: Management shareholding and transactions.
Termination of the service relationship	<p>The Group CEO's service contract specifies a notice period and severance pay. The notice period for terminating the Group CEO's service contract is six (6) months for the company and three (3) months when the Group CEO terminates the contract. The salary is paid during the notice period. The company is also entitled to terminate the service contract with immediate effect and pay the salary for the notice period to the Group CEO as a lump sum. If the company has grounds for rescinding the service contract as stipulated in the Employment Contracts Act, chapter 8, section 1, the service relationship can be terminated with immediate effect. In this case, no salary for the notice period or severance pay shall be paid. If the company terminates the service contract without a reason attributable to the Group CEO that constitutes grounds for rescission as stipulated in the Employment Contracts Act, the Group CEO shall be paid a compensation corresponding to 18 months' fixed salary in addition to the salary for the notice period. The Group CEO's service contract ends without notice when the Group CEO reaches the age of 63.</p>	

Remuneration paid to the Group CEO in 2024 (EUR)

	Fixed salary (incl. fringe benefits and holiday pay) ¹	Supplementary pension	Total fixed remuneration	Short-term incentives ²	Previously deferred short-term incentives ³	Long-term incentives ⁴	Total variable remuneration	Extraordinary items	Remuneration from other Group companies	Total remuneration
Group CEO Petri Niemisvirta	382,004	262,675	644,679	149,090	53,528	1,022,385	1,225,003	-	-	1,869,682

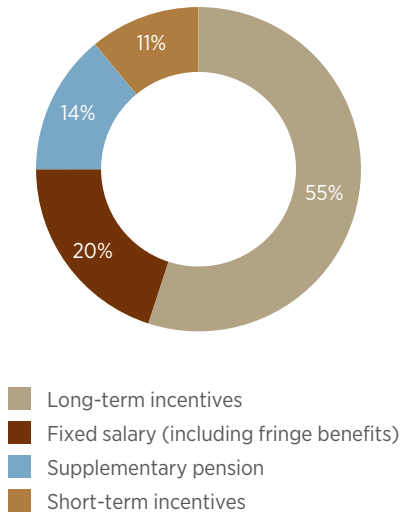
1) The taxable value of the fixed salary items paid in cash and the taxable value of fringe benefits.

2) The short-term incentive does not include the deferred part of the incentive that amounted to EUR 97,227 (40 per cent of the incentive reward). The amount presented in the table includes the part of the incentive reward that was transferred into the Personnel Fund, which may, according to the rules of the Personnel Fund, amount to a maximum of 0.5 months' fixed salary. The transferred amount was increased by 20 per cent in accordance with the rules of the Fund.

3) Release of the previously deferred short-term incentive from the 2020 short-term incentive program, payout in 2021.

4) At payout of the incentives, the Group CEO was obliged to acquire Sampo plc's A shares with 50 per cent of the net reward in accordance with the terms and conditions of Sampo Group's long-term incentive scheme 2020. The company paid the transfer tax arising from the acquisition of the shares. The shares are subject to disposal restriction for three years.

Total remuneration



SHORT-TERM INCENTIVES OF THE GROUP CEO

The Board of Directors decided on the short-term incentive program's performance metrics and their relative weights for the Group CEO at the beginning of the financial year. The payment of reward is based on the outcomes of both quantitative and qualitative performance metrics.

The performance metrics for the Group CEO in the 2024 short-term incentive program were based on Mandatum Group's key targets, Mandatum's total result and a governance-related target. The Group's key targets included three indicators: net flow, fee result and customer satisfaction. The net flow and fee result are the company's key financial indicators and both increased significantly from the comparison period.

Customer satisfaction is a qualitative metric for the business, measured using the Net Promoter Score (NPS), which measures customers' likelihood to recommend a company's products or services to others. The customer satisfaction, NPS, was on an excellent level in 2024.

The Group CEO's individual targets were linked to Mandatum's total result and governance. Mandatum's total result was measured based on the success in the strategic projects and the Group's overall success in 2024 – taking into consideration both quantitative and qualitative criteria. The governance target, linked to risk management and compliance, was evaluated based on the progress of the priorities in the areas.

The outcome of the performance metrics of the financial year 2024 was in total 96.1 per cent (of 100 per cent) and the reward amounts to EUR 374.751. The short-term incentive will be paid in spring 2025. Of the incentive reward, 40 per cent shall be deferred and the deferred part of the incentive may be paid out earliest in 2028. The Group CEO may transfer part of his short-term incentive to the personnel fund on the same terms and conditions as Mandatum Group's personnel.

Short-term incentive of the Group CEO from the 2024 program (payout in 2025)

Performance metrics		Weight	Result corresponding to 100% outcome	Result of performance metric	Outcome (0-100%)	Weighted outcome	Total short-term incentive ¹	
Group CEO Petri Niemisvirta	Customer satisfaction (NPS)	14%	78	78.5	100%	14.0%		
	Mandatum Group's key targets	Net flow (EUR million)	28%	1,000	983.1	96.8%	27.1%	
		Fee result of Mandatum Group (EUR million)	28%	60	66.6	100%	28.0%	
	Other Group-related target	Mandatum Group's total result	15%	The Board evaluates the outcome after performance period	Partly achieved	90%	13.5%	
	Governance target	Risk management and compliance	15%	The Board evaluates the outcome after performance period	Partly achieved	90%	13.5%	
Total		100%				96.1%	EUR 374,751	

1) A total of 40 per cent (EUR 149,900) of the Group CEO's short-term incentive will be deferred. The deferred part of the incentive may be paid out earliest in 2028.

LONG-TERM INCENTIVES OF THE GROUP CEO

During the financial year, the Group CEO participated in the Sampo Group's long-term incentive scheme 2020 and Mandatum's long-term Performance Share Plan. In 2024, the incentive rewards were paid only from Sampo Group's long-term incentive scheme 2020.

Sampo Group's long-term incentive scheme 2020

Following the partial demerger of Sampo plc on 1 October 2023 and the listing of Mandatum plc, Mandatum's Board of Directors decided, based on the decision of Sampo plc's Board of Directors, that Mandatum Group's key employees and the Group CEO shall remain in Sampo's long-term incentive scheme 2020, to ensure retention of the key employees. The long-term incentive scheme 2020, directed to Sampo Group's key employees, was launched in August 2020 and the terms were amended due to the demerger in September 2023.

The incentive scheme 2020 is cash-based, and incentive units (theoretical calculation units used to determine the incentive reward) are allocated to the participants. The incentive units are paid in three annual instalments after the performance period

for each instalment. In 2024, the second instalment (35 per cent of the allocated incentive units) was due for payment. The third and final instalment (35 per cent of the allocated incentive units) will be due for payment in 2025. No new allocations will be made to Mandatum's Group CEO or other key employees in Sampo's long-term incentive scheme.

The Group CEO, Petri Niemisvirta, was allocated incentive units when the scheme was launched in 2020. The incentive units are based on his previous position as a member of Sampo Group Executive Committee. From the allocated incentive units, a total of 45,500 units were due for payment during 2024. At payout, the Group CEO was obliged to acquire Sampo plc's A shares with 50 per cent of his net reward in accordance with the terms and conditions of the incentive scheme. The company paid the transfer tax arising from the acquisition of the shares. The acquired shares are subject to a disposal restriction (holding period) for three years from the payment of each instalment. The Board of Directors will decide on the possible release of restricted shares at the end of the three-year disposal restriction (deferral) period.

In addition, a total of 2,564 Sampo A shares that were based on Sampo Group's

previous long-term incentive scheme 2017 and had been under disposal restriction for three years, were released to the Group CEO in 2024. The Board of Directors decides separately each year on the possible release of the shares based on a risk and performance assessment.

Mandatum's long-term Performance Share Plan

The Group CEO participates in Mandatum's long-term performance share plan and share-based long-term incentive scheme (Performance Share Plan), which the Board of Directors decided to establish on 19 March 2024.

The Performance Share Plan consists of annually commencing individual share plans, each of which includes a three-year performance period and a potential share reward to be paid thereafter, taking into account any deferral and/or transfer restriction of rewards due to regulations applicable to Mandatum Group. The commencement of each individual plan within the Performance Share Plan structure is subject to a separate decision by Mandatum's Board of Directors.

The performance period of the first plan launched under the Performance Share Plan structure covers the financial years 2024–

2026 and the possible rewards will be paid in 2027. In addition, the Board of Directors decided on the establishment of a transition phase share-based incentive plan (Bridge Plan) in March 2024. Its purpose is to incentivise and commit the target group of the plan during the transition phase between Sampo Group's long-term incentive scheme 2020 and Mandatum's first share-based incentive plan. The performance period of the Bridge plan covers the financial years 2024–2025 and the possible rewards will be paid in 2026.

The maximum amount of the shares allocated to the Group CEO (gross before tax) is 260,000 shares in each of the aforementioned plans. The specified number of shares can be earned if all the performance targets set for the plan are fully achieved. In each plan, the performance metrics include the absolute total shareholder return of the company's share (Absolute TSR), a profitability-related measure (performance of Mandatum's capital-light business) and a sustainability target linked to an external ESG rating.

The Group CEO's long-term incentive in 2024

		The combined total shareholder return of Sampo plc A share and Mandatum plc share							
Incentive scheme	Vested incentive units (pcs) ¹	Return on capital at risk ²	Trade-weighted average price of Sampo plc A share at the time of the launch of the scheme ³	Dividend-adjusted starting price ⁴	The combined value of the trade-weighted average share prices ⁵	Value of one incentive unit	The paid incentive reward in total	The number of acquired Sampo A shares (pcs)	
Group CEO Petri Niemisvirta	Sampo Group long-term incentive scheme 2020:1 45,500	100%	EUR 32.94	EUR 22.41	EUR 44.88	EUR 22.47	EUR 1,022,385	6,025	

1) In 2024, the second instalment of the long-term incentive scheme was due for payment. The instalment corresponded to 35 per cent of the incentive units that were allocated to the Group CEO in 2020.

2) The calculation of the incentive reward takes into account the performance of Sampo Group in terms of return on capital at risk in accordance with the terms and conditions of the incentive scheme. If the return on capital at risk during the period Q3/2020–Q2/2024 is at least risk-free return +5%, the instalment due in September 2024 will be paid in full (100%).

3) The trade-weighted average price of Sampo A share at the time of the launch of the scheme, calculated for the period from 6 August to 9 September 2020.

4) The dividend-adjusted starting price is the trade-weighted average price of Sampo A share at the time of the launch of the scheme deducted by the combined dividends of Sampo plc and Mandatum plc. During the performance period, the dividends amounted to EUR 10.20 for Sampo plc and EUR 0.33 for Mandatum plc.

5) The trade-weighted average price of Sampo A share on Nasdaq Helsinki Ltd during the period of 8 August to 11 September 2024 was EUR 40.58. The trade-weighted average price of Mandatum's share on Nasdaq Helsinki Ltd during the period of 14 August to 17 September 2024 was EUR 4.30.

Sampo Group's long-term incentive schemes 2017:1 and 2020:1

		<u>Performance metrics</u>										
Incentive scheme	The portion of payable incentive units	The value of one incentive unit ²⁰	Performance period	Payment year and share of incentive units due for payment	The end of deferral period and disposal restriction of the shares	Incentive units at the beginning of the financial year (pcs)	Incentive units vested during the financial year (pcs)	Outstanding incentive units at the end of the financial year (pcs)	Sampo A shares under disposal restriction at the beginning of the financial year (pcs)	Acquired Sampo shares during the financial year (pcs)	Sampo A shares under disposal restriction at the end of the financial year (pcs)	
Group CEO, Petri Niemisvirta	Sampo Group long-term incentive scheme 2017:1	Return on capital at risk (RoCaR), Sampo Group (weight 40%) Insurance margin (weight 60%)	Share price development of Sampo plc A share and paid dividends	2017-2020	2020 (1st instalment, 30% of units)	2023	-	-	-	-	-	-
				2017-2021	2021 (2nd instalment, 35% of units)	2024	-	-	-	2,564	-	0
				2017-2022	2022 (3rd instalment, 35% of units)	2025	-	-	-	4,027	-	4,027
	Sampo Group long-term incentive scheme 2020:1	Return on capital at risk (RoCaR), Sampo Group (weight 100%) ¹	Share price development of Sampo A share and Mandatum share and the dividends per share ²	2020-2023	2023 (1st instalment, 30% of units)	2026	-	-	-	3,900	-	3,900
				2020-2024	2024 (2nd instalment, 35% of units)	2027	45,500	45,500	0	0	6,025	6,025
				2020-2025	2025 (3rd instalment, 35% of units)	2028	45,500	-	45,500	-	-	-
Total						90,000	45,500	45,500	10,491	6,025	13,952	

1) If RoCaR is at least risk-free return +3%, but less than risk-free return +5%, 50% of the instalment will be paid. If RoCaR is at least risk-free return +5%, the instalment will be paid in full (100%).

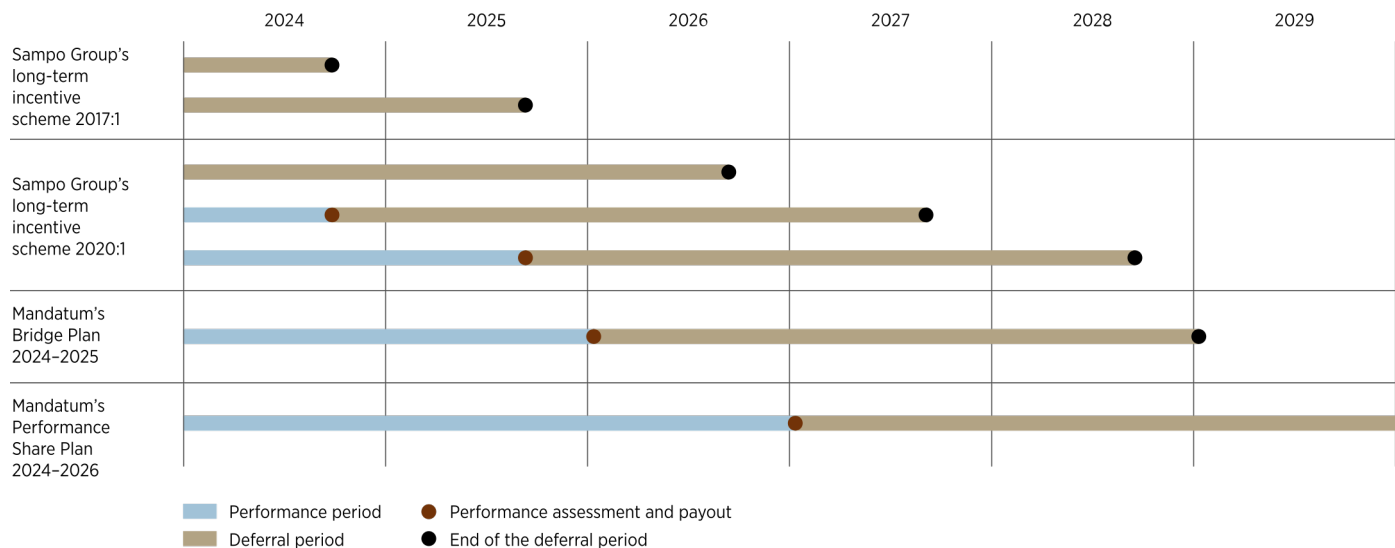
2) The value of one incentive unit is calculated as the difference between the combined value of the trade-weighted average price of Sampo A share and Mandatum share at the time of payment and the starting price of the scheme. The starting price is adjusted downwards with dividends decided during the performance period to take into consideration the total shareholder return of the shares.

Mandatum's long-term Performance Share Plan (PSP)

Incentive scheme	Performance metrics	Weight	Performance period	The maximum number of granted shares (gross) ¹	Grant date	Payment year	Deferral period ends
Group CEO Petri Niemisvirta	Absolute total shareholder return of the share (TSR)	70%	2024-2025	260,000	28 March 2024	2026	2029
	Performance of Mandatum's capital light business	20%					
	Sustainability target	10%	2024-2026	260,000	2 April 2024	2027	2030
	Absolute total shareholder return of the share (TSR)	70%					
Performance Share Plan 2024-2026	Performance of Mandatum's capital light business	20%	2024-2026	260,000	2 April 2024	2027	2030
	Sustainability target	10%					

1) The maximum number of shares (gross before tax) allocated to the Group CEO that can be earned if all the performance targets set for the plan are achieved in full.

Payout schedule of the long-term incentives



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