

Annual Disclosure According to
Regulation on Prudential Requirements
for Investment Firms

2021



MANDATUM
ASSET MANAGEMENT

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1. General

This document contains information regarding Mandatum Asset Management Ltd (“MAM”) and Mandatum Asset Management Group (“MAM Group” or “the Group”) which is disclosed annually according to the EU regulation 2019/2033 on prudential requirements of investment firms.

The investment firm group, MAM Group, is formed by MAM as the parent company and its subsidiary Mandatum AM AIFM Ltd (together “the Companies”). MAM is fully owned by Mandatum Holding Ltd which is fully owned by Sampo plc. Mandatum Holding Ltd and all of its subsidiaries together are called Mandatum Group.

2. Risk management objectives and policies

2.1 Risk Management Principles and Governance

The risk management strategy of all MAM Group’s companies consists of ensuring a sound and well understood risk culture in each company and ensuring that risks are identified, assessed, managed, monitored, and reported and in a right proportion related to their effect on short term and long-term financial results. Moreover, the strategies aim to ensure the companies holds adequate buffers to regulatory capital requirements and maintain operational capabilities also under financial turmoil. The strategies ensure overall efficiency, security, and continuity of operations and safeguards MAM Group’s reputational capital and ensures clients and other stakeholders have confidence in MAM Group. As a summary, risk management’s key objective in MAM Group is to create value and preserve already created value.

MAM Group companies follow the risk management principles defined by Sampo Group and Mandatum Group’s risk management framework. MAM Group has a uniform risk management framework and system, and each regulated company has its own risk management policy. However, MAM has oversight on its subsidiary’s risk management and principles for monitoring and reporting of the risks.

The Boards of Directors are responsible for the adequacy of the risk management and internal control. The Boards annually approve the Risk Management Policies according to which risk management is arranged in MAM Group and the Group companies. The CEOs has the overall responsibility for the implementation of risk management in accordance with the Boards’ guidance.

Each MAM Group company has its own risk management function. The responsibilities of the risk management functions are to ensure that risk management is organized accordingly and that the scope is adequate with respect to the company’s operations in general. MAM’s risk management function works closely with its subsidiary’s risk management functions to ensure that data and information is exchanged appropriately and that the arrangements, processes, and mechanisms are adequate. MAM has established a Risk & Compliance Committee which supports the risk management and compliance functions and ensures efficient information sharing between the 1st and 2nd line.

2.2 Risk Appetite

MAM Group’s risk appetite is defined in MAM’s risk management policy. MAM Group is willing to take strategic risks in expanding its business while ensuring adequate liquidity of the companies. MAM Group companies do not take market risk in their own operations and do not trade on their own behalf.

The companies are only willing to carry limited short-term credit risks arising from client commission receivables. In MAM Group, operational risks are expected to be controlled and mitigated as efficiently as possible. The confidence of clients and other stakeholders is highly important to MAM Group.

2.3 Risks Related to the MAM Group's Business Activities

2.3.1 Operational Risks

Operational risks are the most significant risk area in MAM Group. Operational risk refers to the risk of loss resulting from inadequate or failed processes or systems, from personnel and systems or from external events. This definition includes legal risk but excludes risks resulting from strategic decisions. The risks may be realized for example as a consequence of internal or external misconduct, insufficient human resources management, insufficiencies in operating policies, damage to physical property, interruption of activities and system failures or defects in the operating process.

Operational risk may materialize 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 in advance, manage risks effectively and strive to mitigate before the impacts are realized in a cost-effective manner. Business units are responsible for the identification, assessment, monitoring and management of their own operational risks. In Mandatum Group the Operational Risk Committee monitors and coordinates central issues regarding operational risks, such as policies and recommendations.

Operational risks are identified through a regular self-assessment process, where major operational risks are mapped and evaluated, and their probabilities and significance are analyzed. Realized operational risk events and near misses are reported by the business units continuously. MAM's risk management function reports on operational risks to the CEO and Board of Directors regularly.

2.3.2 Liquidity Risk

Liquidity risk is the risk that the company would be unable to meet its financial obligations when they fall due, and MAM and MAM AIFM are exposed to liquidity risk due to the nature of their activities. However, both companies' businesses are financed by income financing, which consists of commission income from clients and partners. The companies have not financed its activities through external financing, so the companies do not have any related risks such as interest rate risk, exchange rate or refinancing risk. The companies manage liquidity risk by monitoring their liquidity position on a regular basis and by maintaining a liquidity buffer. MAM Group also monitors its liquidity position with respect to regulatory liquidity requirements.

2.3.3 Concentration Risk

MAM Group's companies are also exposed to concentration risk with respect to their clients as most of the business is linked to clients within Sampo Group. Mandatum Life Insurance Company Limited (Mandatum Life) is MAM's largest client by commission income. This is not, however, considered as a significant risk since Mandatum Life and MAM are both Sampo Group companies. MAM Group's concentration risk is expected to decrease in the coming years as MAM aims to expand its business outside Sampo Group.

3. Governance

MAM's management bodies are the Company's Board of Directors, as well as the CEO, CIO, and Deputy CEO. Other senior management positions are listed in the following table.

	Number of Board memberships	Other management positions
Patrick Lapveteläinen, Chairman of the Board	6	CIO, Sampo Group
Petri Niemisvirta, Vice chair of the Board	7	CEO, Mandatum Life Insurance Company Ltd CEO, Mandatum Holding Ltd
Harri Kiiski, Member of the Board	1	-
Timo Vuokila, Member of the Board	2	-
Lauri Vaittinen, CEO	2	-
Ville Talasmäki, CIO	3	-
Antti Sorsa, Deputy CEO	2	-

MAM complies with Sampo Group's operating principles and objectives aimed at diversity, which are based on obligations prohibiting all forms of discrimination in the work community and recruitment. These obligations also apply to the recruitment of senior management and the obligations have been fulfilled.

MAM does not have a separate board risk committee.

4. Own funds

As of 31 December 2021, MAM's own funds were EUR 23.6 million and consist entirely of common equity tier 1 (CET1) capital. The composition of regulatory own funds is presented in detail in Table 1 of Appendix 1. The reconciliation of regulatory own funds to balance sheet items is presented in Table 3 of Appendix 1.

As of 31 December 2021, MAM Group's own funds were EUR 24.7 million and consist entirely of common equity tier 1 (CET1) capital. The composition of regulatory own funds is presented in detail in Table 2 of Appendix 1. The reconciliation of regulatory own funds to balance sheet items is presented in Table 4 of Appendix 1.

MAM or any of MAM Group's companies haven't issued any AT1 or T2 capital instruments. MAM's and MAM Group's CET1 capital instruments are common shares. More detailed information on the shares is presented in Table 5 of Appendix 1.

MAM and MAM Group do not apply restrictions on own funds.

5. Own funds requirements

The goal of capital adequacy management is to ensure the adequacy of available capital in relation to risks arising from the company's business activities and business environment and the goal of capital management is to make sure items accounted as own funds are adequate with respect to capital requirements. Capital adequacy is assessed by comparing the amount of eligible own funds to the amount of capital required to bear the risks arising from the current business activities and the external operating environment. In MAM Group, capital adequacy assessment is done primarily on company level which is considered an adequate approach since no additional requirements arise from the group level due to how operations are organized in MAM Group.

MAM assesses at least annually its capital position in accordance with its internal capital adequacy assessment process approved by the Board. The capital adequacy assessment process is a combination of business strategy and capital strategy and at the heart of the capital adequacy assessment is the translation of risks into capital needs. The consideration of capital adequacy is based on the MAM's level of risk-taking and risk profile and the capital targets are set based on the desired risk-taking level. Proactive capital planning is part of MAM's management's strategic planning. Through the capital adequacy assessment process, MAM assesses and continuously maintains the amount and quality of the required internal capital at a level sufficient to cover the risks it is or may be exposed to. The basis of MAM's risk-based capital adequacy assessment is the Pillar 1 capital requirement which gives the basis for assessing the needs of additional capital. MAM AIFM applies similar methods when applicable.

MAM's minimum capital requirement is determined based on the current regulation on investment firms and according to article 11 of the regulation is the highest of the following:

- the fixed overheads requirement
- the permanent minimum capital requirement
- the K-factor requirement

As of 31 December 2021, MAM's minimum capital requirement was based on the fixed overheads requirement as presented in the following table. The fixed overheads requirement corresponds to a quarter of the fixed overhead costs for the year 2020.

	EUR
Fixed overheads requirement	1,971,441
Permanent minimum capital requirement	150,000
K-factor requirement	162,138
Largest of the above	1,971,441

MAM calculates all three requirements quarterly. As of 31 December 2021, MAM's K-factor requirement was EUR 0.16 million and is presented in the aggregated form in the following table.

	EUR
Risk-to-Market (RtM)	0
Risk-to-Firm (RtF)	0
Risk-to-Client (RtC)	162,138
Total K-factor requirement	162,138

MAM does not trade on its own account and, hence, MAM's K-factor requirement is driven by the Risk-to-Client component. Moreover, many of MAM's largest clients are financial institutions which have outsourced the management of their assets to MAM.

MAM Group's minimum capital requirement is based on the Group's fixed overhead costs and was EUR 4,475,660 million as of 31 December 2021. MAM is the only investment firm in MAM Group and, hence, MAM Group's K-factor requirement is equal to MAM's K-factor requirement.

6. Remuneration policy and practices

6.1 Total remuneration

The aim of total remuneration in MAM is to encourage employees to excellent performance in accordance with the company's business objectives and to support the personnel in the balanced co-ordination of work and leisure time. The total remuneration includes comprehensive employee benefits, such as private occupational health care and extensive insurance cover, as well as versatile competence development opportunities in addition to competitive pay.

MAM complies with Sampo Group's remuneration principles and the company's own remuneration policy, as well as the relevant regulation. Remuneration programmes contain elements that prevent conflicts of interest to ensure that rewards do not conflict with the best interests of the customer. MAM Group's remuneration principles are in line with the targets of its Responsible Investment Policy. The company's goal is to keep the remuneration at a level that attracts experts and engages them with the Group. MAM is committed to equal remuneration.

The objective of the variable remuneration programmes is to support the realisation of MAM's objectives and to promote the company's competitiveness and long-term financial success. Variable remuneration in MAM includes short-term remuneration programmes with a one-year follow-up period, as well as long-term incentive programmes and discretionary rewards. Employees in the supervisory function are not subject to variable remuneration.

Remuneration is tied to MAM Group's financial success and compliance with the company's policies and guidelines. Remuneration programmes have limitations to ensure that variable remuneration is not paid unless predetermined financial conditions are met. In short-term remuneration programmes, remuneration is tied to the favourable financial performance of Mandatum Group and in long-term programmes to the positive price development of Sampo plc's share.

Remuneration in accordance with the remuneration programmes is always conditional to the decision of the Board of Directors. If the company deems it necessary, it may decide not to pay the variable remuneration. The Company may decide not to pay all or part of the short-term and long-term remuneration, or to defer payment of the rewards if significant non-accepted risk-taking or internal or external business rules have been breached or if the payment would jeopardise the company's ability to maintain an adequate capital base.

6.2 Short-term remuneration programmes

The short-term remuneration programmes are based on the results of Mandatum Group and MAM companies, the performance of the unit and individual performances. Targets will be set for each person at the beginning of the year. Both quantitative and qualitative indicators, derived from the company's strategy and taking into account sustainability factors, are used to assess performance. The supervisors monitor continuously each person's performance and assess the achievement of the targets at the end of the year.

The short-term remuneration programmes contain limitations on the maximum variable remuneration. The maximum remuneration levels followed by MAM are defined in Sampo Group's remuneration principles according to role and position. For the payment of a short-term remuneration, it is required that the person is employed at the time of the payment. In addition, the Company's Board of Directors must approve the rewards.

6.3 Long-term remuneration programmes

In addition to short-term remuneration programmes, the company can engage key personnel with Sampo Group through long-term remuneration programmes. Sampo Group has long-term remuneration programmes established in 2017 and 2020. The programmes are aimed at Sampo Group's management and other key personnel of the Group. Any rewards under long-term remuneration programmes are granted in three instalments: the first instalment three years after the start of the programme, the next instalment after four years and the last instalment five years after the start of the programme.

Payments from the long-term remuneration programmes are subject to risk-taking assessment (individual performance assessment) and the fulfilment of the Solvency II capital requirement. The granting and payment of rewards is subject to the condition that the participant's employment with the Sampo Group is valid, and that the person has not reported the termination of the employment relationship before the payment.

6.4 Discretionary reward

It is possible to reward exceptionally good performance with a discretionary reward. According to the company's remuneration policy, the discretionary reward may not exceed one month's fixed remuneration per calendar year for the person receiving the reward. Identified staff is not entitled to discretionary rewards.

6.5 Deferral of variable remuneration

In accordance with MAM's remuneration policy, the company is obligated to defer some of the short-term and long-term variable remuneration paid to identified staff. Identified staff refers to persons who effectively manage the company and risk-takers who have a material impact on the company's risk profile.

According to the company's remuneration policy, at least 50 per cent of the variable remuneration of the identified staff shall be given as financial instruments. In addition, at least 40 per cent of the variable remuneration shall be deferred at least for three years from the payment of the variable remuneration. In the case of a significant variable remuneration, the deferred remuneration shall be at least 60 per cent. Variable remuneration has been considered significant when it has exceeded 50 per cent of a person's fixed salary. MAM benefits from the derogation laid down in Article 32(4) of the EU directive on the prudential supervision of investment firms and hence did not apply the deferral rule to variable remuneration that did not exceed 50,000 euros in a calendar year.

In the long-term remuneration programmes identified staff is required to purchase Sampo A shares with the deferred variable remuneration. The restricted shares are subject to a transfer restriction for three years from the date of payment, after which Sampo plc's Board of Directors decides on the possible lifting of the transfer restriction.

Prior to the payment of the deferred short-term or long-term remuneration, MAM carries out a reassessment of the payment in order to reflect any additional risks identified or realised since the reward was granted.

6.6 Sustainability risks and remuneration

MAM does not encourage risk-taking that conflicts with the risk profile of the investment products MAM manages. MAM considers that taking into account sustainability risks and the adverse sustainability effects of the company's own investment activities is crucial to the long-term success of the Mandatum Group. The remuneration structure therefore includes measures to ensure that the consideration of sustainability risks and adverse sustainability impacts is properly reflected in the remuneration of the persons concerned.

Table 1 Composition of regulatory own funds, MAM, 31 December 2021

		Amounts (€)	Source based on Table 3 in which the balance sheet of the audited financial statements is presented
1	OWN FUNDS	23,596,812	
2	Tier 1 capital (T1)	23,596,812	
3	COMMON EQUITY TIER 1 CAPITAL (CET1)	23,596,812	
4	Fully paid up capital instruments	125,000	Share capital
5	Share premium	0	
6	Retained earnings	6,109,971	Retained earnings
7	Accumulated other comprehensive income	0	
8	Other reserves	63,300,000	Invested unrestricted equity fund
9	Minority interest given recognition in CET1 capital	0	
10	Adjustments to CET1 due to prudential filters	0	
11	Other funds	0	
12	TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-45,938,159	
13	Own CET1 instruments	0	
14	<i>Direct holdings of CET1 instruments</i>	0	
15	<i>Indirect holdings of CET1 instruments</i>	0	
16	<i>Synthetic holdings of CET1 instrument</i>	0	
17	Losses for the current financial year	0	
18	Goodwill	-35,489,359	Intangible assets
19	Other intangible assets	0	
20	Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	0	
21	Qualifying holding outside the financial sector which exceeds 15% of own funds	0	
22	Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds	0	
23	CET1 instruments of financial sector entities where the institution does not have a significant investment	0	
24	CET1 instruments of financial sector entities where the institution has a significant investment	-10,448,800	Investments of which CET1 capital of companies in the financial sector
25	Defined benefit pension fund assets	0	
26	Other deductions	0	
27	CET1: Other capital elements, deductions and adjustments	0	
28	ADDITIONAL TIER 1 CAPITAL (AT1)	0	
29	Fully paid up, directly issued capital instruments	0	
30	Share premium	0	
31	TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0	
32	Own AT1 instruments	0	
33	<i>Direct holdings of AT1 instruments</i>	0	
34	<i>Indirect holdings of AT1 instruments</i>	0	
35	<i>Synthetic holdings of AT1 instruments</i>	0	
36	AT1 instruments of financial sector entities where the institution does not have a significant investment	0	
37	AT1 instruments of financial sector entities where the institution has a significant investment	0	
38	Other deduction	0	
39	Additional Tier 1: Other capital elements, deductions and adjustments	0	
40	TIER 2 CAPITAL (T2)	0	
41	Fully paid up, directly issued capital instruments	0	
42	Share premium	0	
43	TOTAL DEDUCTIONS FROM TIER 2	0	
44	Own T2 instruments	0	
45	<i>Direct holdings of T2 instruments</i>	0	
46	<i>Indirect holdings of T2 instruments</i>	0	
47	<i>Synthetic holdings of T2 instruments</i>	0	
48	T2 instruments of financial sector entities where the institution does not have a significant investment	0	
49	T2 instruments of financial sector entities where the institution has a significant investment	0	
50	Tier 2: Other capital elements, deductions and adjustments	0	

Table 2 Composition of regulatory own funds, MAM Group, 31 December 2021

		Amounts (€)	Source based on Table 4 in which the balance sheet of the audited financial statements is presented
1	OWN FUNDS	24,661,337	
2	Tier 1 capital (T1)	24,661,337	
3	COMMON EQUITY TIER 1 CAPITAL (CET1)	24,661,337	
4	Fully paid up capital instruments	125,000	Share capital
5	Share premium	0	
6	Retained earnings	6,109,697	Profit brought forward
7	Accumulated other comprehensive income	0	
8	Other reserves	63,300,000	Reserves
9	Minority interest given recognition in CET1 capital	0	
10	Adjustments to CET1 due to prudential filters	0	
11	Other funds	0	
12	TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-44,873,359	
13	Own CET1 instruments	0	
14	<i>Direct holdings of CET1 instruments</i>	0	
15	<i>Indirect holdings of CET1 instruments</i>	0	
16	<i>Synthetic holdings of CET1 instrument</i>	0	
17	Losses for the current financial year	0	
18	Goodwill	-44,873,359	Intangible rights
19	Other intangible assets	0	
20	Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	0	
21	Qualifying holding outside the financial sector which exceeds 15% of own funds	0	
22	Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds	0	
23	CET1 instruments of financial sector entities where the institution does not have a significant investment	0	
24	CET1 instruments of financial sector entities where the institution has a significant investment	0	
25	Defined benefit pension fund assets	0	
26	Other deductions	0	
27	CET1: Other capital elements, deductions and adjustments	0	
28	ADDITIONAL TIER 1 CAPITAL (AT1)	0	
29	Fully paid up, directly issued capital instruments	0	
30	Share premium	0	
31	TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0	
32	Own AT1 instruments	0	
33	<i>Direct holdings of AT1 instruments</i>	0	
34	<i>Indirect holdings of AT1 instruments</i>	0	
35	<i>Synthetic holdings of AT1 instruments</i>	0	
36	AT1 instruments of financial sector entities where the institution does not have a significant investment	0	
37	AT1 instruments of financial sector entities where the institution has a significant investment	0	
38	Other deduction	0	
39	Additional Tier 1: Other capital elements, deductions and adjustments	0	
40	TIER 2 CAPITAL (T2)	0	
41	Fully paid up, directly issued capital instruments	0	
42	Share premium	0	
43	TOTAL DEDUCTIONS FROM TIER 2	0	
44	Own T2 instruments	0	
45	<i>Direct holdings of T2 instruments</i>	0	
46	<i>Indirect holdings of T2 instruments</i>	0	
47	<i>Synthetic holdings of T2 instruments</i>	0	
48	T2 instruments of financial sector entities where the institution does not have a significant investment	0	
49	T2 instruments of financial sector entities where the institution has a significant investment	0	
50	Tier 2: Other capital elements, deductions and adjustments	0	

**Table 3 Reconciliation of regulatory own funds to balance sheet
in the audited financial statements, MAM, 31 December 2021**

	(a) Balance sheet as in audited financial statements As at 31 December 2021
Assets	
Receivables from credit institutions	36,760,558
Investments	11,144,394
<i>of which CET1 capital of companies in the financial sector</i>	<i>10,448,800</i>
Intangible assets	35,489,359
Property, plant and equipment	61,093
Other receivables	12,050,648
Accrued income and prepayments	453,059
Total Assets	95,959,111
Liabilities	
Other liabilities	16,449,413
Accrued expenses and deferred income and advances received	9,669,149
Total Liabilities	26,118,562
Shareholder's equity	
Share capital	125,000
Invested unrestricted equity fund	63,300,000
Retained earnings	6,109,971
Profit for the financial year	305,577
Total shareholder's equity	69,840,548

**Table 4 Reconciliation of regulatory own funds to balance sheet
in the audited financial statements, MAM Group, 31 December 2021**

	Balance sheet as in audited financial statements As at 31.12.2021	Under regulatory scope of consolidation As at 31.12.2021	Cross reference to Table 2 (row number)
Assets			
Receivables from credit institutions	38,634,818	39,269,047	
Equity securities	12,212	0	
Intangible rights	44,879,105	44,873,359	18
Property, plant and equipment	61,093	61,093	
Financial assets	873,653	26,000	
Other assets	15,359,287	15,338,519	
Accrued income and prepayments	521,997	511,020	
Total Assets	100,342,166	100,079,038	
Liabilities			
Other liabilities	17,710,763	17,589,538	
Accrued expenses and deferred income	10,463,305	10,455,529	
Deferred tax liabilities	236,926	236,926	
Total Liabilities	28,410,994	28,281,993	
Shareholder's equity			
Share capital	125,000	125,000	4
Reserves	63,300,000	63,300,000	8
Profit brought forward	6,114,647	6,109,697	6
Profit for the financial year	2,289,470	2,262,348	
Non-controlling interests	102,054	0	
Total shareholder's equity	71,931,172	71,797,045	

Table 5 Main features of own instruments issued by MAM

1	Issuer	Mandatum Asset Management Oy
2	Unique identifier	N/A
3	Public or private placement	Private placement
4	Governing laws of the instrument	Limited Liability Companies Act
5	Instrument type	Share
6	Amount recognized in regulatory capital (EURm, 31 December 2021)	0.125
7	Nominal amount of instrument	0.125
8	Issue price	1000
9	Redemption price	N/A
10	Accounting classification	Equity
11	Original date of issuance	04/04/2014
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity date
14	Issuer call subject prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
Coupons / dividends		
17	Fixed or floating dividend / coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
21	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
22	Existence of step up or other incentive to redeem	N/A
23	Noncumulative or cumulative	N/A
24	Convertible or non-convertible	Non-convertible
25	If convertible, conversion trigger(s)	N/A
26	If convertible, fully or partially	N/A
27	If convertible, conversion rate	N/A
28	If convertible, mandatory or optional conversion	N/A
29	If convertible, specify instrument type convertible into	N/A
30	If convertible, specify issuer of instrument it converts into	N/A
31	Write-down features	No
32	If write-down, write-down trigger(s)	N/A
33	If write-down, full or partial	N/A
34	If write-down, permanent or temporary	N/A
35	If temporary write-down, description of write-up mechanism	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A
38	Link to the full term and conditions of the instrument (signposting)	N/A

Table 6 Total remuneration, MAM and MAM Group, 31 December 2021 ¹

€	Mandatum Asset Management	Total Group
Fixed remuneration ²	2,335,754	2,422,689
Variable remuneration ³	2,060,733	2,060,733
Total remuneration	4,396,487	4,483,422

¹ Total remuneration of identified staff in MAM Group. All remuneration amounts exclude social contributions.

Starting from September 2021 fixed and variable remuneration includes identified staff of Mandatum AM AIFM Ltd and Sampo plc's investment operations.

² Including monthly salary, holiday pay, fringe benefits and severance pay of identified staff.

³ Total earned variable remuneration in 2021. Includes STI and LTI cash payments, group pension contributions, bonus fund transfers and release of deferred remuneration (STI and LTI) paid in 2021.

Table 7 Breakdown of Executive Management's Remuneration, MAM and MAM Group, 31 December 2021 ¹

€	Mandatum Asset Management	Total Group
Earned fixed remuneration and benefits ²	375,628	424,095
- Number of individuals in the group ³	3	4
Earned variable remuneration ⁴	456,576	456,576
- Of which cash ⁵	246,623	246,623
- Of which financial instruments	209,953	209,953
Deferred remuneration at January 2021 ⁶	615,104	615,104
Accrued deferred remuneration during year 2021	362,694	362,694
Payments 2021 related to prior years deferral ⁷	217,365	217,365
Deferred remuneration at 31 December 2021	760,432	760,432
Performance adjustments to deferred remuneration ⁸	0	0
Guaranteed variable remuneration during the year	0	0
- Number of individuals in the group	0	0
Severance pay from previous years, paid in 2021 ⁹	0	0
- Number of individuals in the group	0	0
Severance pay expensed during the year ¹⁰	0	0
- Number of individuals in the group	0	0
- Highest individual expensed severance pay	0	0

¹ Starting from September 2021 fixed and variable remuneration includes executive management of Mandatum AM AIFM Ltd and Sampo plc's investment operations (transferred to MAM as of 1.9.2021). All remuneration amounts exclude social contributions.

² Including monthly salary, holiday pay, fringe benefits and severance pay of the executive management.

³ Total number of individuals in executive management employed during the period.

⁴ Total earned variable remuneration in 2021. Includes STI and LTI cash payments, group pension contributions, bonus fund transfers and release of deferred remuneration (STI and LTI) paid in 2021.

⁵ Includes STI and LTI cash payments, personnel fund transfers, group pension contributions and release of deferred variable remuneration paid in other than financial instruments in 2021.

⁶ Deferred variable remuneration from STI and LTI payments in years 2018-2020. Including deferred variable remuneration from Sampo plc's investment operations.

⁷ Payments in cash, group pension contributions and financial instruments.

⁸ The amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments.

⁹ Excluding severance pay paid in accordance with collective agreements and local labour laws.

¹⁰ Includes severance pay paid during 2021.

Table 8 Breakdown of Risk Takers' Remuneration, MAM and MAM Group, 31 December 2021¹

€	Mandatum Asset Management	Total Group
Earned fixed remuneration and benefits ²	1,960,126	1,998,594
- Number of individuals in the group ³	24	25
Earned variable remuneration ⁴	1,604,157	1,604,157
- Of which cash ⁵	706,836	706,836
- Of which financial instruments	897,321	897,321
Deferred remuneration at January 2021 ⁶	2,232,720	2,232,720
Accrued deferred remuneration during year 2021	961,355	961,355
Payments 2021 related to prior years deferral ⁷	930,327	930,327
Deferred remuneration at 31 December 2021	2,263,748	2,263,748
Performance adjustments to deferred remuneration ⁸	0	0
Guaranteed variable remuneration during the year	0	0
- Number of individuals in the group	0	0
Severance pay from previous years, paid in 2021 ⁹	0	0
- Number of individuals in the group	0	0
Severance pay expensed during the year ¹⁰	196,276	196,276
- Number of individuals in the group	3	3
- Highest individual expensed severance pay	112,139	112,139

¹ Starting from September 2021 fixed and variable remuneration include risk takers of Mandatum AM AIFM Ltd and Sampo plc's investment operations. All remuneration amounts exclude social contributions.

² Including monthly salary, holiday pay, fringe benefits and severance pay of risk takers.

³ Total number of individuals in risk takers employed during the period.

⁴ Total earned variable remuneration in 2021. Includes STI and LTI cash payments, group pension contributions, bonus fund transfers and release of deferred remuneration (STI and LTI) paid in 2021.

⁵ Includes STI and LTI cash payments, personnel fund transfers, group pension contributions and release of deferred variable remuneration paid in other than financial instruments in 2021.

⁶ Deferred variable remuneration from STI and LTI payments in years 2018-2020. Including deferred variable remuneration from Sampo plc's investment operations.

⁷ Payments in cash, group pension contributions and financial instruments.

⁸ The amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments.

⁹ Excluding severance pay paid in accordance with collective agreements and local labour laws.

¹⁰ Includes severance pay paid during 2021.



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