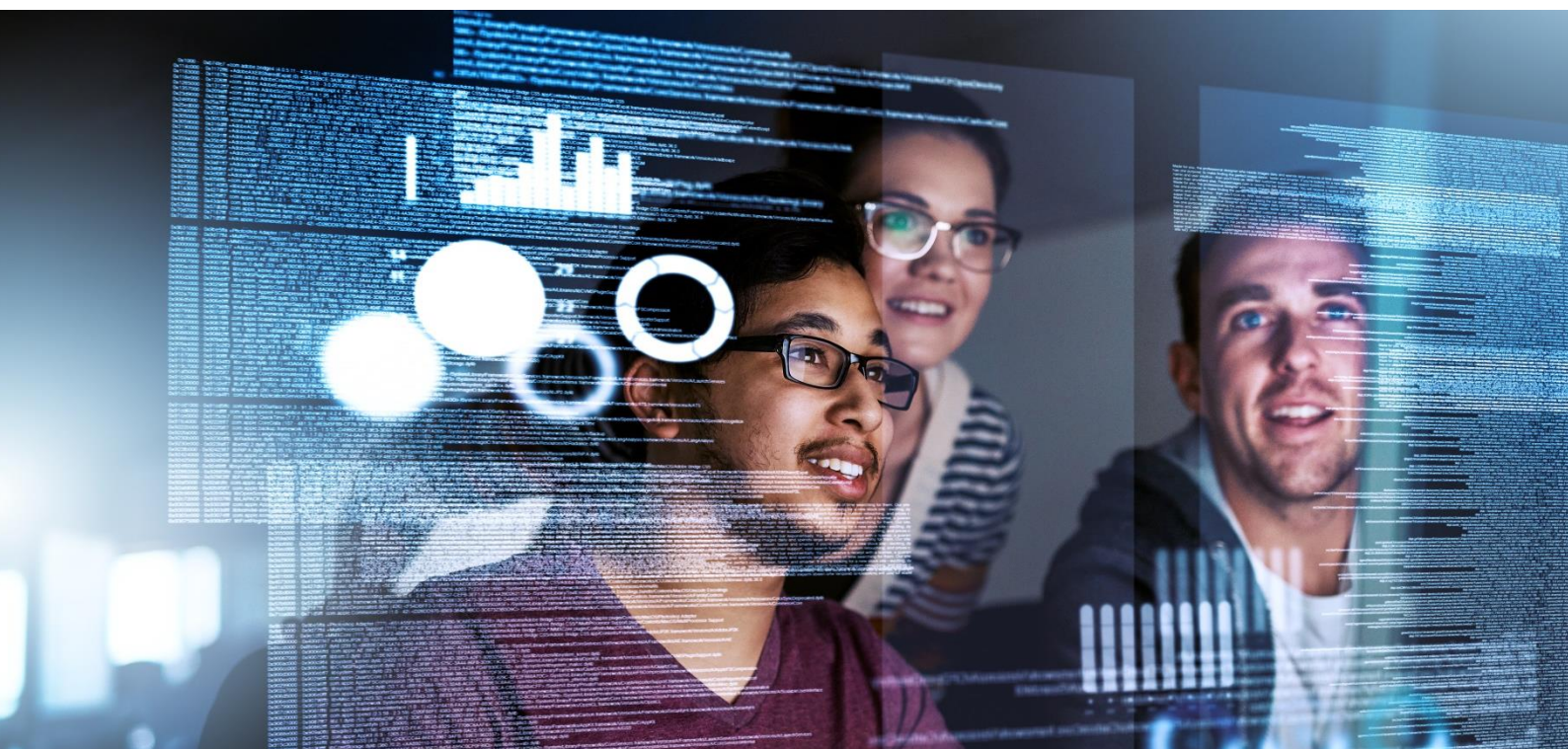


SAMPO GROUP RFP

A LONG-TERM PARTNERSHIP FOR A CHANGING WORLD

EXECUTIVE SUMMARY



**SECURITIES SERVICES
SWEDEN, SEPTEMBER 2022**



BNP PARIBAS

The bank
for a changing
world

Dear Sirpa, Henrik and team,

Our two firms enjoy a stable relationship. You are free to focus on your business while any challenges that do arise are dealt with immediately and to your satisfaction. Even the transition of your service from the UK to the Netherlands due to Brexit caused you minimal disruption, demonstrating our ability to work well together.

This RFP is an opportunity to expand that successful relationship, and to deliver the same benefits and successes to all your business.

Evolving your operating model to meet future challenges

The corporate restructuring in 2021 started the journey you are currently on. The consolidation of the group's proprietary balance sheet, client assets and investment operations under Mandatum Asset Management (MAM) was an important first step towards a future operating model that brings the benefits of scale, supports the investment organisation and delivers better service and high quality products to your clients.

This global custodian and depositary review is the next important step in that evolution. Your aim is to create a sustainable operating model built for continued growth, one that is based on a solid and proven fund services in Luxembourg and an efficient global custody solution that can evolve with your business.

Your preference is to consolidate all activity with one partner. A single custody solution across all your business will create efficiencies, as well as streamlining your relationship and service model to simplify your operations. With a single partner, it will also be easier to adapt and enhance your back office, and to increase scale while at the same time improving your solution.

We strongly believe that we can be that partner.

Proven custody solution and leading Luxembourg fund services

Our proposal is founded on four pillars that either draw on what works well today or on the services and innovation you will need in the future. These pillars are:

- Evolving a proven partnership
- Enhancing your client service model
- Delivering world class products and services
- Integrating IT and enabling the adoption of new technology

Evolving a proven partnership

Our partnership is based on strong personal relationships, on the commitment of senior managers who understand your business, and on a long-term view to evolve together. With these foundations in place, you are already in a position to leverage the BNP Paribas Group's capabilities to improve your operating model: we can provide consultancy on process and interface improvements, and advise on additional services that may improve your model.

Choosing us is also a practical option. The service model is already in place and we will only need to migrate your business in Luxembourg, adding a simple appendix to the existing legal arrangements.



Enhancing your client service model

We have a track record of managing multi-location clients, as our references – Kempen Capital Management and Axa – will show. To ensure we coordinate service delivery across all your locations, your existing Client Service Manager in the Netherlands, Jeroen Bouwman, will take on a Global Service Manager role, in which he will manage and coordinate two further client service managers: one in Stockholm and one in Luxembourg. You will continue to enjoy high quality service from our local teams and access to specialists as required.

Similarly, NeoLink will remain your online single point of access for services – custody, as well as fund services, derivatives clearing and securities lending – independent of contracting location.

We are investing in NeoLink. We have fully migrated the platform to a new Cloud infrastructure and the latest technology, while revisiting the design and customer journeys. We have also added new functionalities such as online services reviews and account opening forms. We are working on delivering new core features to the platform, e.g. new self-service reporting and dashboard capability, and on new or renewed digital services, e.g. tax management, fund oversight and securities referential. We are also integrating third party fintechs into the NeoLink platform to deliver the full benefits of the technology market dynamic (e.g. ESG analytics applications are being made available via our web portal).

Delivering world class products and services

The quality and range of our services will enable you to outsource all your activity to us while still benefitting from best practice and improved efficiency. In addition to the custody services and asset safety we provide you today, we offer market-leading fund services to support your UCITS and RAIFs in Luxembourg – **we rank third overall** by number of funds and **first for private capital funds** by assets. We can also provide broad capabilities in services relating to securities lending, derivatives clearing and ESG, all of which are fully integrated into our core services.

For example, our full service offer will include:

- **Custody services:** high quality safekeeping, settlement and asset servicing underpinned by our extensive proprietary network. This, together with our controls, procedures, contingency plans and strong balance sheet, ensures maximum asset safety.
- **Fund services:** extensive experience and expertise in servicing UCITS and RAIF funds in Luxembourg, including private debt funds, through a follow-the-sun operating model that enables earlier NAVs.
- **Cash management:** competitive market terms on deposits and accurate cash flow forecasting.
- **FX and CLS:** access to our automatic FX service (AutoFX) at pre-agreed spreads and CLS services.
- **Securities lending:** proven track record (i.e. no financial loss for clients), algorithm-based fair allocation approach and tailored programmes that incorporate ESG criteria.
- **Derivatives clearing:** OTC clearing capabilities combined with collateral management support – we offer a truly integrated execution and clearing service.

Integrating IT and enabling the adoption of new technology

To aid the evolution of your operating model (and any potential move to a cloud-based system), we can offer our expertise on Charles River Development (CRD) and front-to-back



integration. As an example, we have built standard interfaces and connectivity with CRD, which further enhance our ability to provide more near real-time trade status lifecycle reporting and data enrichment to support the CRD IBOR.

You will also benefit from our continuous investment in data management and integration, including the expansion of our existing catalogue of APIs in areas such as custody, fund administration and cash.

Transparent and competitive commercial terms

In an extended partnership, we want your transparent and competitive commercial terms to continue across your entire business with BNP Paribas. Our fee schedule therefore recognises the long-term nature and size of this mandate, and offers granular detail on our:

- *Waiver of settlement fees:* we will waive all settlements fees and only charge for safekeeping
- *Competitive cash conditions:* in this transitory period for global monetary policy, we will continue to offer competitive cash conditions
- *Migration support:* we will waive transition costs when you migrate from your other providers and provide a dedicated implementation manager to manage the migration, relieving you of much of the heavy lifting

We have always aimed to provide contractual terms that meet your requirements. From the proposed Global Custody Agreement, we especially want to highlight the following:

- *Contractual terms:* you will benefit from a continuation of the current custody agreement terms already in place with Sampo and IF
- *Liability regime:* there will be strict liability for loss of custodial assets in line with the AIFMD and UCITS regimes, even for assets not subject to those rules
- *Finnish and Swedish law:* we are open to changing the applicable law for the custody agreements, if that is what you prefer

Long-term, sustainable partnership supporting your transformation

Sampo is changing, and as your trusted partner, we want to support you on your journey. We can offer you market-leading services and proven multi-location support models, as well as access to the expertise across our banking group. More importantly, we understand your business deeply and can therefore provide real insight and advice as you look to develop your operating model.

Our global teams and our senior managers are excited about the continued evolution of Sampo Group. We look forward to demonstrating our commitment to the relationship further, and to proving that we are the right partner for achieving your growth ambitions.

Please do not hesitate to contact us for any further information you may need as your review progresses.

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Development, Nordics

Johanna Sigfridsson
Global Relationship
Manager

Thorsten Gommel
Head of Germany,
Austria, Netherlands
and the Nordics



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Key facts

- Securities Services is a core business of BNP Paribas with assets under custody of USD 11.751 trillion
- 10,556 employees worldwide
- Employee population of 44% women to 56% men
- Common equity Tier 1 ratio of 12.2% exceeding the Basel III (CRD 4) initial target
- Europe's largest custodian bank
- Current credit rating of A+ (S&P)
- BNP Paribas Group is the only shareholder of BNP Paribas Securities Services and is indefinitely liable for the debts of BNP Paribas Securities Services through its own assets

As at 30 June 2022