

Report on State Annual Accounts 2020

Annex 4 State corporate holdings

PUBLICATIONS OF THE FINNISH GOVERNMENT 2021:71

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Report on State Annual Accounts 2020

Annex 4. State corporate holdings

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Abstract

As provided in section 46 of the Constitution, the Government submits to Parliament a report on the State annual accounts and information on the management of government finances and compliance with the budget including measures taken by the Government in response to the resolutions passed by Parliament. More detailed provisions on the report on the State annual accounts are set out in section 9a of the Government Act (175/2003) and sections 17 and 18 of the State Budget Act (423/1988).

Under section 18 of the Budget Act, the reports on central government finances, the management of central government finances and their operative effectiveness included in the government annual report shall provide true and sufficient information on compliance with the Budget, central government revenue and expenditure, central government financial position, and effectiveness (true and sufficient view). Legislatively, the contents of the report are more specifically governed by the requirements laid down in the State Budget Decree (1243/1992). The Report on State Annual Accounts for 2020 consists of five parts:

- Report on state annual accounts
- Annex 1 Financial performance by ministries
- Annex 2 Financial statements
- Annex 3 Measures taken in response to statements and opinions issued by Parliament
- Annex 4 State corporate holdings

Keywords Government, Government reports, financial statements, ownership steering

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Hallituksen vuosikertomus 2020

Liite 4. Valtion yhtiöomistus

Valtioneuvoston julkaisuja 2021:71**Julkaisija** Valtioneuvosto

Kieli englanti **Sivumäärä** 76

Tiivistelmä

Valtioneuvosto antaa eduskunnalle hallituksen vuosikertomuksen perustuslain 46 §:ssä säädettyinä kertomuksena hallituksen toiminnasta, valtiontalouden hoidosta ja talousarvion noudattamisesta sekä niistä toimista, joihin hallitus on eduskunnan päätösten johdosta ryhtynyt. Hallituksen vuosikertomuksesta säädetään tarkemmin valtioneuvostosta annetun lain (175/2003) 9 a §:ssä sekä valtion talousarviosta annetun lain (423/1988) 17 ja 18 §:ssä.

Talousarviolain 18 §:ssä edellytetään, että hallituksen vuosikertomukseen otettavien valtiontalouden ja valtion taloudenhoidon sekä toiminnan tuloksellisuuden kuvausten tulee antaa oikeat ja riittävät tiedot talousarvion noudattamisesta, valtion tuotoista ja kuluista, valtion taloudellisesta asemasta sekä tuloksellisuudesta (oikea ja riittävä kuva). Säädöstasolla kertomuksen sisältöä määrittävät erityisesti myös valtion talousarviosta annetun asetuksen (1243/1992) vaatimukset. Hallituksen vuosikertomus vuodelta 2020 muodostuu viidestä osasta:

- Hallituksen vuosikertomus
- liite 1 Ministeriöiden tuloksellisuuden kuvaukset
- liite 2 Tilinpäätöslaskelmat
- liite 3 Toimenpiteet eduskunnan lausumien ja kannanottojen johdosta
- liite 4 Valtion yhtiöomistus

Asiasanat valtioneuvosto, hallituksen kertomukset, tilinpäätös, omistajaohjaus**ISBN PDF** 978-952-383-733-1**ISBN painettu** 978-952-383-717-1**Asianumero** VN/24475/2020**ISSN PDF** 2490-0966**ISSN painettu** 2490-0613**Julkaisun osoite** <http://urn.fi/URN:ISBN:978-952-383-733-1>

Regeringens årsberättelse 2020

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Referat

Enligt i 46 § i grundlagen ska statsrådet lämna en berättelse till riksdagen om regeringens verksamhet, skötseln av statsfinanserna och om hur budgeten har följts samt om regeringens åtgärder med anledning av riksdagens beslut. Närmare bestämmelser om regeringens årsberättelse finns i 9 a § i lagen om statsrådet (175/2003) och i 17 och 18 § i lagen om statsbudgeten (423/1988).

I 18 § i lagen om statsbudgeten förutsätts det att de redogörelser för statsfinanserna och skötseln av statsfinanserna samt resultat av statens verksamhet som tas in i regeringens årsberättelse ska ge riktiga och tillräckliga uppgifter om hur budgeten följts och om statens intäkter och kostnader, om statens ekonomiska ställning och resultat (rättvisande bild). På författningsnivå fastställs årsberättelsens innehåll i synnerhet i förordningen om statsbudgeten (1243/1992). Regeringens årsberättelse för 2020 består av fem delar:

- Regeringens årsberättelse
- Bilaga 1 Ministeriernas resultatöversikter
- Bilaga 2 Bokslutskalkyler
- Bilaga 3 Åtgärder med anledning av riksdagens uttalanden och ställningstaganden
- Bilaga 4 Statens bolagsinnehav

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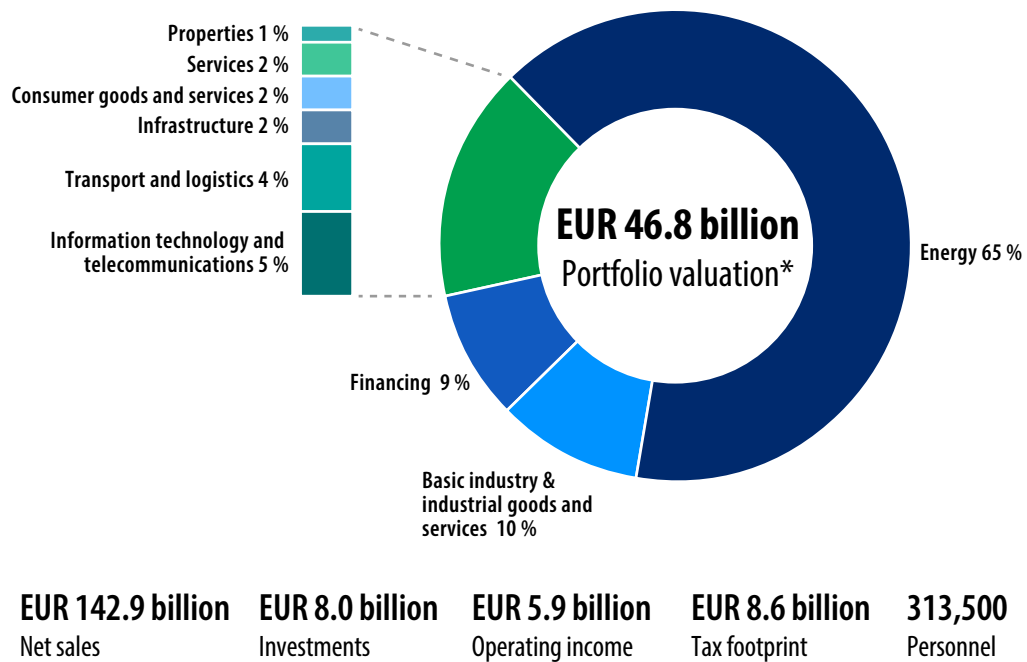
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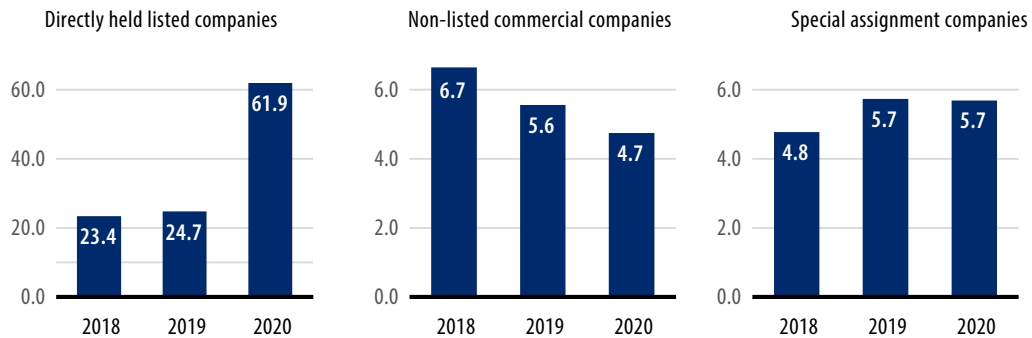
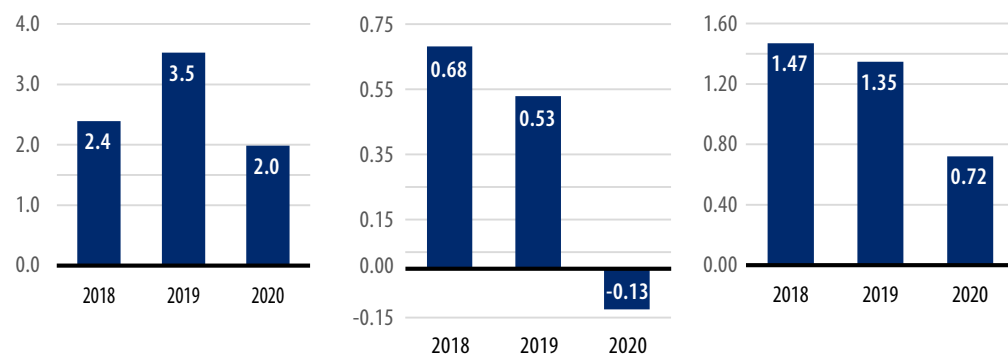
1 State corporate holdings

1.1 Key indicators

Figure 1. Breakdown of state corporate holdings by field of activity and key indicators 2020



At the end of 2020. Listed companies: market capitalisation. Non-listed companies: valuation made by the Ownership Steering Department.

Figure 2. Net sales and operating income of state-owned companies**Net sales, EUR billion****Operating income EUR billion**

ROI % 8.8 (15.4)

ROI % -1.2 (9.1)

1.2 Remuneration

The Government's view on the remuneration of the executive management and personnel of state-owned companies was outlined in the Government Resolution on the State Ownership Policy in April 2020. The focus is on strengthening responsibility and performance. Responsibility has been raised in the agenda for company boards in Finland and around the world when designing remuneration schemes. As an owner, the State expects companies to integrate corporate responsibility into remuneration.

The size of state ownership in the company is important in how strictly the policies are expected to be implemented in practice. For wholly state-owned companies, this statement is binding in its entirety. In state-majority companies, the statement must be followed, unless otherwise required by the collective interest of the shareholders. As a shareholder in these companies, the State must be informed of any derogations from the statement, with the exception of listed companies that report on remuneration at annual

general meetings (AGM) to all shareholders. In minority-owned companies, the statement reflects the perception of good remuneration by one significant owner.

Executive management and personnel remuneration is a tool of the company's board of directors that is used to seek growth in the company's value. To be able to operate in an intensely competitive market, state-owned companies need to be able to hire executives and staff on competitive terms. State ownership must not compromise competitive neutrality. As a shareholder, the State requires companies to report on remuneration policy and variable remuneration at AGMs.

The reporting period was exceptional due to the Covid-19 pandemic, which equally affected the remuneration of state-owned companies and other owners' companies. The effects of the Covid-19 crisis on the remuneration of management and personnel were significant, albeit very company-specific. Furloughs, redundancies and voluntary pay cuts reduced the fixed salaries for management and staff. In many companies, the variable remuneration criteria were largely not met. In some state-owned companies, the management or board of directors decided to waive or not take up part of their remuneration due to the Covid-19 crisis.

On the whole, the overall level of remuneration in state-owned companies followed the Finnish market convention. Total remuneration paid to chief executive officers (CEOs) was typically either close to the median or below it. The same held for total remuneration paid to the members of management teams.

1.3 Board appointments

In 2020, 184 (191) board members were appointed to companies subject to ownership steering by the Prime Minister's Office, of which 158 (155) were appointed by the State. Of these, 31 (33) were new members. In 2020, the share of women rose to 46 (43) per cent among state-appointed members, and to 27 (19) per cent among board chairs. Solidium Oy is active in the nomination committees of its portfolio companies and is not included in the above figures. Each year, the State appoints more than 300 board members.

The State's objective is that neither gender should have less than 40 per cent of the State's board appointments. Failure to meet this objective can usually be explained by the number of board positions available or the number of members that the State is authorised to appoint under shareholder agreements.

In addition to gender equality, other considerations in the appointment of company boards include an international outlook, industry expertise and management skills. Most

importantly, the composition of the board of directors must respond to the company's needs with each member contributing some added value. Key criteria for board membership include experience and expertise, assurance of the capacity for cooperation and diversity of competence, and compliance with the gender equality objectives established by the Government. Board appointments offer a way of ensuring that the State's objectives are achieved as effectively as possible.

With regard to board members appointed on proposal from the State, the preferred maximum duration of the term is 5–7 years. Board members are appointed by the AGM of shareholders, which often also elects the chair of the board. At the AGMs, the State is represented by either the minister responsible for ownership steering or a designated government official. When screening suitable candidates for board membership, the State relies on an external consultant.

At many of the companies in which the State is not the sole owner, the largest shareholders form a nomination committee to prepare matters related to the composition and remuneration of board members and to propose candidates for board membership to the AGM.

1.4 Corporate responsibility

Corporate responsibility (CR) means companies' responsibility for the social impacts of their operations. Changes in the operating environment underline their responsibility for people, the environment and the economy. As the rate of change only accelerates, CR plays an increasingly important role in business. Today, CR is an integral part of a company's competitiveness, as it relates to risk management while at the same time serving as a source of business opportunities.

Published in April 2020, the new Government Resolution on State Ownership Policy, "Revenue through responsible ownership", draws attention to CR issues. Companies are expected to integrate corporate responsibility policies into their business activities as an integral part.

Compared to the previous resolution, the focus is clearly on climate issues. The resolution places significant emphasis on the Government Programme's objective of a carbon-neutral Finland by 2035 and the related measures which the shareholder expects companies to take. State-owned companies must identify their climate impacts, set ambitious targets for combatting them, and identify the impacts of climate change on the their business.

Companies are required to identify the greatest risks and impacts of their operations and to commit to reducing adverse consequences. As a shareholder, the State expects companies to incorporate CR performance into the remuneration criteria. The implementation of the resolution focuses on communication, education and government action, both within the Government and towards companies.

As declared in the resolution, the State expects every company to establish measurable objectives for corporate responsibility and report on their CR performance, actions taken and goals for the coming years to the meetings of shareholders. This type of reports were submitted to the AGMs for the first time in spring 2017. At the 2021 AGMs, attention was drawn to the link between CR and corporate strategy.

Over the past few years, the State's expectations have increased from mere reporting to more strategic requirements regarding corporate responsibility in recognition of the overall development of society and stakeholder concerns. A sustainable competitive edge can only be gained through responsible action. Consequently, the promotion of corporate responsibility is part of the toolkit of active owners in their efforts to increase shareholder value.

The Ownership Steering Department continued its regular dialogue with companies on corporate responsibility and its advancement. As a shareholder, the State underlines the importance of a CR materiality analysis as a tool for developing management performance in this respect. When properly managed, this creates favourable conditions for increasing the company's worth and shareholder value.

CR analyses were carried out as part of the ownership strategy. The CR analysis model for ownership steering was developed to cover, among other things, the new sections in the resolution. The companies reported on CR issues at AGMs and they were discussed as part of regular meetings with the executive management of the companies.

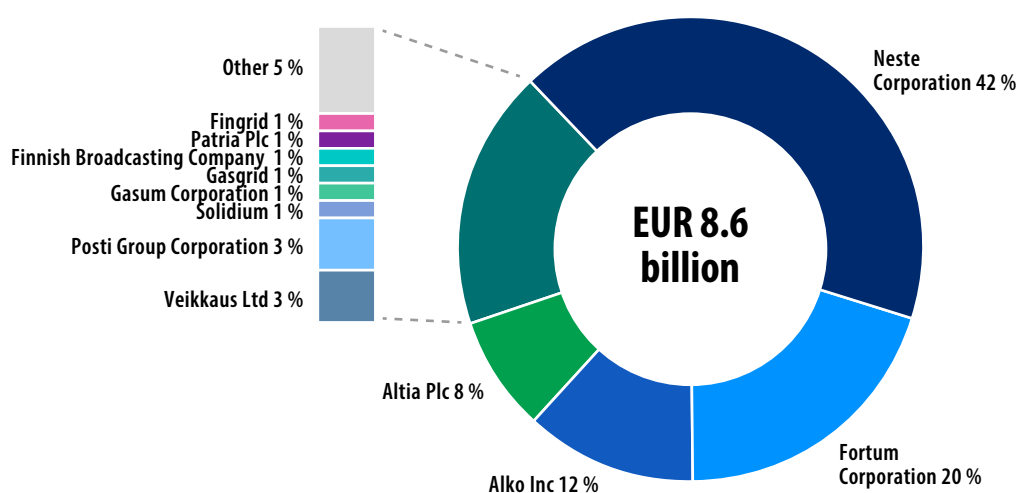
The State organises CR seminars approximately every two years. A CR seminar was not held during the year under review.

1.5 Tax footprint

In the Government Resolution on State Ownership Policy, the State adopted an unambiguous position on tax reporting by companies. Aggressive tax planning is not acceptable and taxes must be paid to the country in which the profits are earned. Minimisation of taxes through the use of tax havens is unacceptable. The Ownership

Steering Department of the Prime Minister's Office has encouraged state-owned companies to disclose their tax information since 2014. The 2020 tax data was gathered on all state-owned companies including companies ownership-steered by other ministries. The total tax footprint of all the companies was EUR 8.6 billion. The companies ownership-steered by the Prime Minister's Office have several years of experience in public tax reporting and have taken steps to develop their reporting further. In its guidance for companies in which it holds a controlling interest, the State complies with the recommendations of the OECD and guides companies in country-by-country tax reporting.

Figure 3. Breakdown of companies by taxes paid and credited



1.6 Basic information on portfolio companies

Table 1. Key indicators for listed companies in 2020

Listed companies	Net sales	Operating income	Operating income %	Total assets	Equity ratio %	Gearing %	Return on equity %	Return on investment %	Number of employees
Altia Plc	342	23	7%	456	34%	-2%	12%	0%	650
Finnair Plc	829	-465	-56%	3,647	26%	151%	-56%	-14%	6,105
Fortum Corporation	49,015	1,599	3%	57,810	27%	54%	14%	11%	19,933
Neste Corporation	11,751	828	7%	9,815	60%	-4%	12%	11%	4,833

Table 2. Key indicators for non-listed commercial companies in 2020

Non-listed companies	Net sales	Operating income	Operating income %	Total assets	Equity ratio %	Gearing %	Return on equity %	Return on investment %	Number of employees
Arctia Ltd	80.8	2.4	3%	283.7	50%	60%	1%	1%	439
Boreal Plant Breeding Ltd	9.7	0.4	4%	12.0	67%	-15%	4%	5%	75
Finavia Corporation	150.6	-128.9	-86%	1,476.5	36%	136%	-24%	-10%	1,366
Fingrid Oyj	682.5	118.4	17%	2,306.8	27%	166%	14%	7%	400
Gasgrid Finland Oy	126.9	67.2	53%	454.7	51%	37%	18%	18%	39
Gasum Corporation	664.3	5.7	1%	1,362.0	36%	122%	-1%	3%	384
Kemijoki Oy	53.3	5.3	10%	490.1	11%	807%	2%	1%	39
Leijona Catering Oy	73.3	5.6	8%	29.4	64%	-81%	24%	30%	511
Motiva Oy	7.1	0.5	7%	4.7	59%	-81%	16%	20%	63
Nordic Morning Plc	73.9	-2.2	-3%	48.7	33%	77%	-13%	-5%	372
Patria Plc	534.1	40.3	8%	694.7	39%	72%	15%	9%	2,973
Posti Group Corporation	1,613.6	55.0	3%	1,285.3	35%	52%	7%	7%	16,134
Suomen Lauttaliikenne Oy	58.2	9.7	17%	72.1	69%	-8%	16%	19%	346
Mint of Finland Ltd	57.2	-5.1	-9%	71.5	37%	95%	-20%	-11%	208
Finnish Seed Potato Centre Ltd	3.0	0.0	0%	3.3	67%	32%	0%	0%	14
Suomen Viljava Oy	19.8	5.1	26%	28.8	70%	30%	20%	20%	60
Tapio Ltd	13.0	1.3	10%	16.5	65%	-50%	10%	12%	84
Vapo Oy	544.9	-95.3	-17%	758.5	28%	153%	-46%	-16%	1,031
VR Group Ltd	791.9	-24.6	-3%	2,010.0	64%	7%	-2%	-1%	5,818

Table 3. Key indicators for special assignment companies in 2020

Non-listed companies	Net sales	Operating income	Operating income %	Total assets	Equity ratio %	Gearing %	Return on equity %	Return on investment %	Number of employees
A-Kruunu Oy	10.4	4.5	43%	356.8	15%	456%	0%	1%	22
Alko Inc.	1,296.8	64.8	5%	310.0	37%	-147%	49%	63%	1,869
Cinia Group Ltd	59.7	6.7	11%	120.6	41%	64%	10%	8%	301
CSC – IT Center for Science Ltd	54.7	2.5	5%	41.8	39%	-181%	27%	35%	454
Digi Finland Oy	2.5	-9.5		72.9	98%	-21%	-12%	-12%	0
FinnHEMS Oy	30.0	-1.1	-4%	30.5	78%	-66%	5%	5%	54
Finnpilot Pilotage Ltd	35.8	-0.6	-2%	23.7	63%	-23%	-3%	-4%	333
Finnvera plc	599.6	-739.6	-123%	12,673.0	6%	869%	-102%	-6%	322
Governia Group	27.1	6.2	23%	247.2	60%	31%	4%	3%	25
Hansel Ltd	11.5	-1.8	-16%	13.0	62%	-111%	-19%	-19%	111
HAUS Finnish Institute of Public Management Ltd	8.5	1.0	12%	4.6	48%	-213%	89%	74%	40
Horse Institute Ltd	7.0	-0.3	-4%	4.7	74%	-23%	-8%	-8%	69
Climate Fund Ltd	98.6	95.9	97%	3,883.7	88%	-3%	5%	6%	9
Municipality Finance Plc	252.6	194.1	77%	44,042.4	4%		9%		165
Traffic Management Company Fintraffic Ltd	182.4	-8.0	-4%	230.1	70%	-1%	-6%	-5%	1,009
Solidium Oy	0.0	-3.8		6,949.4	95%				12
Stuk International Oy	0.3	0.0	6%	2.0	65%	-123%	2%	2%	1
State Security Networks Ltd	104.4	6.9	7%	257.2	89%	-6%	2%	3%	379
Finnish Aviation Academy Ltd	9.3	0.4	4%	19.9	94%	-38%	2%	3%	46
Finnish Minerals Group Ltd	338.3	-17.5	-5%	975.9	51%	20%	-4%	-0%	888
Finnish Industry Investment Ltd	226.3	221.6	98%	1,499.3	95%	-33%	16%	20%	35
VTT Technical Research Centre of Finland Ltd	148.9	13.3	9%	284.1	69%	-74%	7%	8%	1,961
Finnish Fund for Industrial Cooperation Ltd	0.0	-12.3		721.4	42%	107%	-9%	10%	85
Tietokarhu Oy	8.0	-3.1	-39%	7.7	51%	0%	-46%	-46%	18
Veikkaus Ltd	1,260.3	680.5	54%	1,032.9	-79%	18%	68%	68%	1,592
Finnish Broadcasting Company Ltd	487.6	8.8	2%	368.7	39%	13%	5%	4%	3,296

1.7 Value changes in the value of the State's portfolio of listed equities

1.7.1 Directly held listed companies

The market capitalisation of the State's listed portfolio companies increased by 42 per cent in 2020 to EUR 29.7 (21.0) billion. During the year, Neste's shares worth EUR 18.5 million were transferred to FinnHems Oy. The number of shares corresponded to 0.05 per cent of all Neste's shares and voting rights. Altia's shares, owned by the State Development Company Vake Oy, were transferred back to direct state ownership in December. The State participated in Finnair's share issue with EUR 286 million in proportion to its holding in the company.

In March, the Covid-19 pandemic caused an exceptionally large fall in share prices. The market value of companies directly held by the State fell by almost 40 per cent compared with the level at year-end. After March, however, the value of the portfolio started to recover and increased to EUR 29.7 billion by the end of the year as a result of a strong rise in Neste's share price. Neste's price rose by 90 per cent during the year. Altia, which announced a merger with the Norwegian company Arcucse, contributed to this increase in the market value of the portfolio. The return on all listed holdings was 35.4 (25.3) per cent and that on companies directly held by the State 46.0 (29.5) per cent. The general index of the Nasdaq OMX Helsinki Stock Exchange increased by 10 per cent and the return index by 15 per cent in 2020. Consequently, the portfolio performed very well compared with the overall market developments.

The dividend yield from directly held listed companies at 2020 year-end prices was 2.5 (4.0) per cent. The dividend yield was pushed down by the increase in Neste's market value. The dividend yield of companies listed on the Nasdaq OMX Helsinki Stock Exchange at 2020 year-end prices was 3.3 (3.6) per cent.

Table 4. Value changes in the market capitalisation of state holdings in listed companies, EUR million

	Share- holding %	2015	2016	2017	2018	2019	2020
Altia Plc	36.2				93	107	131
Finnair Plc	55.9	388	288	917	507	421	596
Fortum Corporation	50.8	6,277	6,570	7,440	8,613	9,921	8,883
Neste Corporation	44.2	3,549	4,689	6,853	7,729	10,562	20,121
Total		10,214	6,858	15,210	16,941	21,010	29,731
Total interests held by Solidium Oy		6,835	7,848	8,538	6,842	7,541	7,620
Total		17,050	19,395	23,748	23,783	28,551	37,350

Table 5. Financial performance

	Return % 1y	Benchmark index 1y	Return % 5y	Benchmark index 5y *
Altia Plc	27.9	N/A	N/A	N/A
Finnair Plc	-30.0	-38.2	-3.8	-10.5
Fortum Corporation	-3.8	12.2	15.3	9.8
Neste Corporation	95.6	-21.3	49.3	3.2

* Annualised

Figure 4. Value changes in equity prices of directly held listed companies

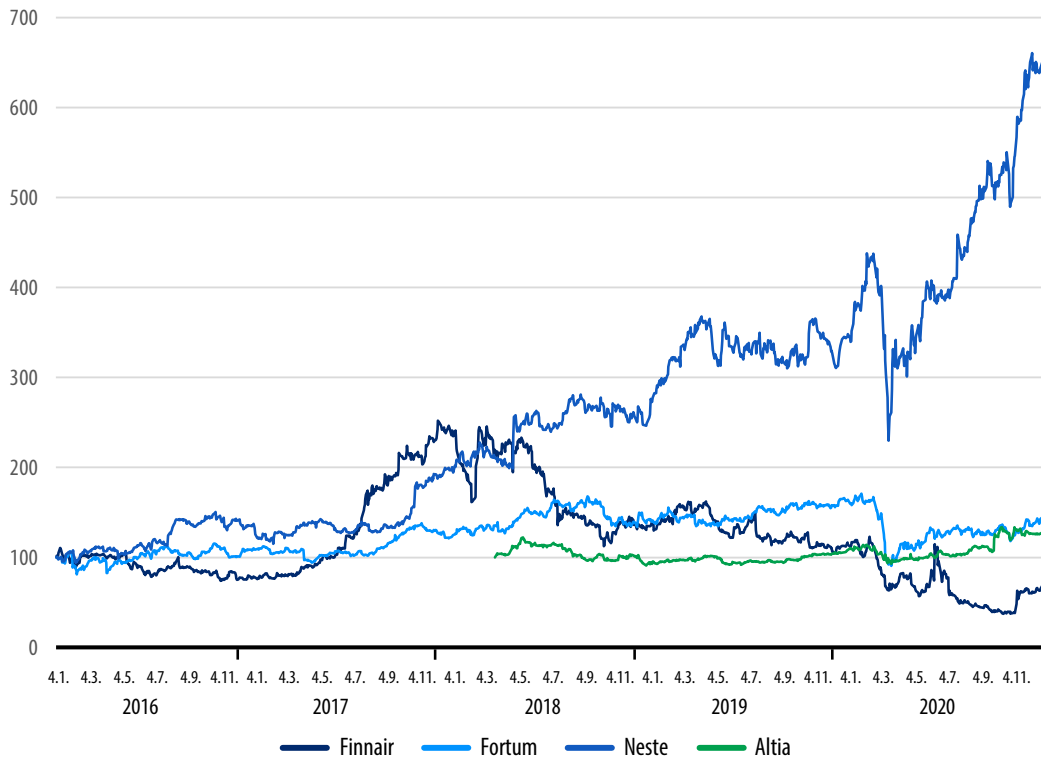
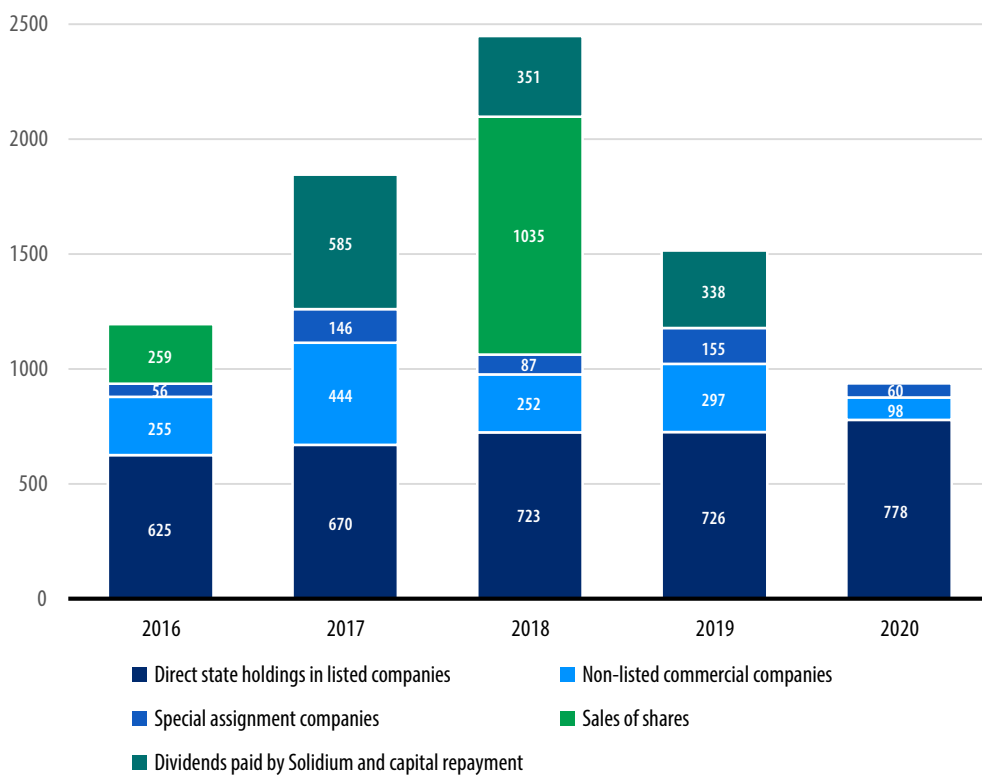


Figure 5. Dividends and share sale proceeds received by the State, on cash basis



The State received a total of EUR 937 million (1515 million) in dividends and capital repayments. The fall in dividend income was mainly due to the effects of the Covid-19 pandemic; Finnair and Finavia did not pay a dividend and it was decided that out of VR's dividends and capital repayments of EUR 350 million a dividend of EUR 100 million would be paid for the financial year 2019 and its payment postponed until 2021. Solidium did not pay a dividend in 2020 either. Total dividends paid by directly held listed companies increased to EUR 778 (726) million due to the increase in Neste's dividend. The State Business Development Company Vake, which became the Climate Fund at the end of the year, received EUR 86 (72) million in dividends in 2020.

1.7.2 Solidium-held companies

Table 6. Solidium's investment portfolio at 31 December 2020

	EURm	% of company	% of portfolio
Sampo plc	1,531	8.0%	20%
Stora Enso Plc	1,337	10.7%*	18%
Metso Outotec Plc	1,009	14.9%	13%
Nokia Plc	933	5.2%	12%
Elisa Corporation	754	10.0%	10%
Valmet Plc	390	11.1%	5%
SSAB AB	347	12.6%*	5%
TietoEvyry Plc	319	10.0%	4%
Nokian Tyres plc	311	7.8%	4%
Outokumpu Plc	291	21.7%	4%
Kemira Corporation	204	10.2%	3%
Konecranes Plc	194	8.5%	3%
All equity investments	7,620		100%

Allocation	EURm	% of portfolio
Total investments	7,842	100%
Equity investments	7,620	97%
Money market investments	222	3%

*) Share of votes Stora Enso 27.3%, SSAB 9.8%

On 31 December 2020, equity investments accounted for approximately 97 (98) per cent of Solidium's portfolio. The greatest weight in equities was in Sampo, which accounted for 20 (29) per cent of the total. Solidium's money market investments stood at EUR 222 (160) million. The total return from Solidium's share portfolio fell short of the weight-limited OMX Helsinki Cap GI gross index over the preceding 12 months. Similarly, the five-year return on the share portfolio fell short of the benchmark index.

Table 7. Return on Solidium-owned company shares and the benchmark index return, % 1 year and 5 years*

	Return, % 1 year		Return, % 5 years	
	Company	Index	Company	Index
Elisa Corporation	-6	-12	10	-5
Kemira Corporation	3	9	9	8
Konecranes Plc	11	21	9	14
Metso Outotec Plc	46	27	20	12
Nokia Plc	-4	15	-11	12
Nokian Tyres plc	19	6	2	2
Outokumpu Plc	15	4	5	3
Sampo plc	-7	10	0	7
SSAB AB	-11	4	13	3
Stora Enso Plc	23	24	17	10
TietoEvry Plc	-1	17	7	12
Valmet Plc	13	27	25	12
Total return on share portfolio	5.8	15.7	7.1	11.1
Fixed-income investments	0.5		0.4	
Return on investments	5.7		6.6	

Purchases into the portfolio: Konecranes 24 May 2016, Nokia 13 March 2018, Nokian Tyres 19 March 2019

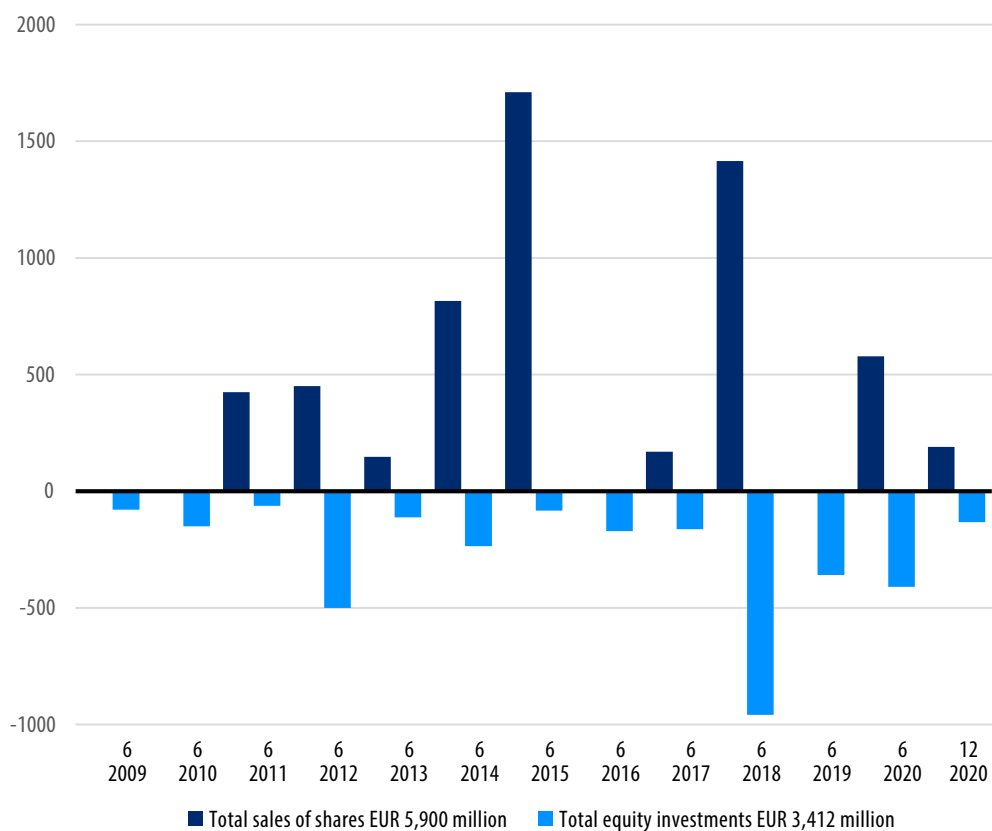
The best performance in the calendar year was put in by Metso Outotec (46 per cent), Stora Enso (23 per cent) and Nokian Tyres (19 per cent). Of these, returns by Metso Outotec and Nokian Tyres also exceeded those of the benchmark index. Negative returns were delivered by three companies: SSAB (-11 per cent), Elisa (-6 per cent) and TietoEVRY (-1 per cent). However, Elisa performed better than the benchmark index.

During the calendar year, Solidium acquired shares for a total of EUR 484 million. Solidium increased its shareholding in Nokia from 3.8 per cent to 5.2 per cent, using EUR 270 million for this. Solidium bought shares in Nokian Tyres for EUR 89 million, increasing its interest in Nokian Tyres from 5.0 per cent to 7.8 per cent. The increased holding in Konecranes was marginal, from 8.4 percent to 8.5 per cent. Solidium invested an additional EUR 2 million in Konecranes.

Solidium's interest in TietoEVRY fell from 10.0 per cent to 6.3 per cent as a result of the merger between Tieto and EVRY. However, following the share purchase from Apax, the interest rose back to 10.0 per cent.

During the calendar year, Solidium sold shares for a total of EUR 648 million. Solidium sold shares in Sampo for EUR 458 million. As a result of the sale, Solidium's interest in Sampo fell from 10.0 per cent to 8.0 per cent. Solidium divested itself of its 14.9 per cent interest in Neles, selling its shares to Valmet for EUR 190 million.

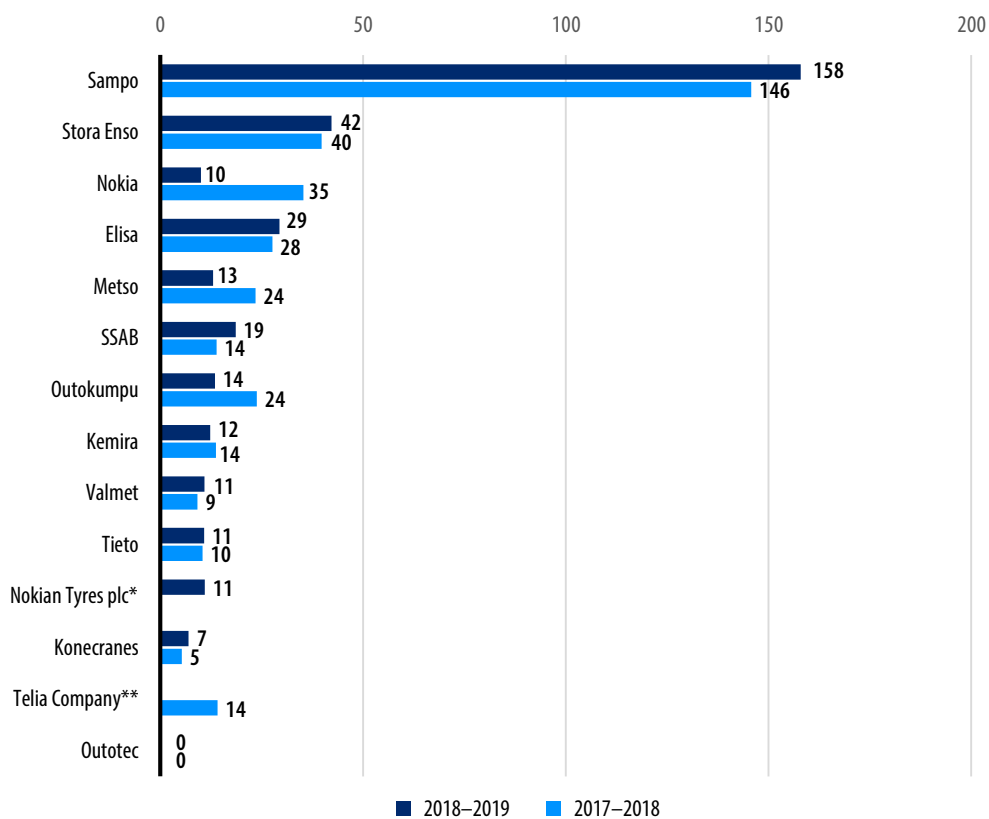
Figure 6. Solidium's equity investments and sales in 2020, EUR million



The dividend yield from Solidium's equity portfolio calculated at 2020 year-end share prices and determined on the basis of financial statement bulletins was 2.8 (2.6) per cent and the payout ratio 55 (46) per cent. The dividend yield of companies listed on the Nasdaq OMX Helsinki Stock Exchange at 2020 year-end prices was 3.3 (3.6) per cent and the payout ratio 78 (70) per cent.

Since 2008, Solidium has received approximately EUR 4.0 billion in dividend income. At the same time, Solidium has paid a total of EUR 5.7 billion in dividends to the State. Aside from dividends, Solidium has relinquished shares to the State by way of capital repayments. Solidium has invested EUR 3.4 billion in equities and sold stock for EUR 5.9 billion.

Figure 7. Dividends paid by Solidium's portfolio companies, EUR million



Nordea's share dividend included in 2019–2020, dividends received in several instalments are accrued in accordance with Solidum's financial year.

1.8 Direct state holdings in listed companies

Altia Plc

Altia is an alcoholic beverage brand company operating in the wines and spirits markets in the Nordic and Baltic countries. The company produces, imports, markets, sells and distributes its own brands and partner products and exports alcoholic beverages to approximately 30 countries.

ALTIA PLC

State shareholding

36.2%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

No strategic interest

Board of Directors 19 March 2021

Sanna Suvanto-Harsaae (Chair), Jyrki Mäki-Kala (Vice Chair), Jukka Leinonen, Tiina Lencioni, Jukka Ohtola, Anette Rosengren, Torsten Steenholt

Chief Executive Officer

Pekka Tennilä

Key financial indicators

	2020	2019
Net sales, EURm	342.4	359.6
Operating income, EURm	22.9	25.1
Operating margin, %	6.7	7.0
Total assets, EURm	455.6	400.2
Equity ratio, %	34.3	37.8
Gearing, %	-2.5	19.1
Return on equity, %	11.6	12.2
Return on investment, %	7.7	8.5
Total dividends (proposal), EURm	27.1	15.2
Dividends received by the State, EURm	9.8	5.5
Investments, EURm	7.0	6.8
Personnel, total, at 31 Dec.	637	632
Personnel, Finland, at 31 Dec.	378	381
Gender composition of the management team w/m	2/5	2/5
Gender composition of the Board of Directors w/m	3/4	3/4
Total tax footprint	654.2	613.8
Tax footprint in Finland	345.9	325.7

Good performance in an exceptional year

Altia's net sales decreased by 4.8 per cent as restrictions related to the pandemic affected

the channels for the serving of drinks on premises and for passenger sales in particular. The restrictions guided consumer purchases towards monopolies, and while sales in monopoly channels did not fully compensate for the decline in sales across other channels, this change in channel weighting had a positive impact on the company's profitability. Altia's profitability was also supported by group-wide cost savings implemented during the year and the relatively low price of barley, especially at the beginning of the year. Due to the above reasons, Altia's comparable operating profit increased to EUR 35.0 million (26.8) and comparable operating margin to 10.2 per cent (7.5) .

In accordance with its corporate responsibility roadmap, Altia carried out significant CR actions in 2020. The company's investment in a fuel silo enabling the use of oat husks brings the company one step closer to its "carbon neutral production by 2025" target. In addition, Altia improved its production capability for low-alcohol and nonalcoholic beverages and prepared for the 2021 launch of Koskenkorva Vodka Climate Action. Barley grown following the principles of renewable agriculture is used as the ingredient for vodka, and in this respect the product is among the global forerunners.

Becoming a leading manufacturer of branded products

The most significant strategic event of the year was the announcement of the merger of Altia and Arcus. The implementation of the merger is waiting for the necessary official permits to be obtained. Altia expects this to happen in the first half of 2021. Altia estimates that the arrangement will improve the combined company's future growth potential both in the Nordic and international markets, creating a better and more efficient partner for its suppliers and customers.

Finnair Plc

Finnair is a network airline specialising in scheduled services between Asia and Europe. Finnair flies to several destinations in Asia, North America and Europe.

FINNAIR PLC

State shareholding

55.9%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To develop Finland as a hub of international air traffic

Board of Directors 17 March 2021

Jouko Karvinen (Chair) Tiina Alahuhta-Kasko, Colm Barrington, Montie Brewer, Jukka Erlund, Hannele Jakosuo-Jansson, Henrik Kjellberg, Maija Strandberg

Chief Executive Officer

Topi Manner

Key financial indicators	2020	2019
Net sales, EURm	829.2	3,097.7
Operating income, EURm	-595.3	162.8
Operating margin, %	-71.8	5.3
Total assets, EURm	3,646.5	3,877.9
Equity ratio, %	24.6	24.9
Gearing, %	153.2	64.3
Return on equity, %	-56.2	7.9
Return on investment, %	-15.2	6.3
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	515.9	443.8
Personnel, total, at 31 Dec.	6,105	6,778
Personnel in Finland, average	5,982	6,164
Gender composition of the management team w/m	2/7	3/7
Gender composition of the Board of Directors w/m	4/5	3/5
Total tax footprint	47.1	85.5
Tax footprint in Finland	47.7	84.9

A year marked by the Covid-19 pandemic

Airlines suffered massive losses as passenger flows kept shrinking. After the outbreak of the

pandemic, Finnair's passenger numbers remained at about 10 per cent of what was expected, and the company had to operate with a minimum number of flights for a large part of the year. The number of passengers for the full year totalled EUR 3.5 million and net sales fell to EUR 829.2 million. Both figures showed a drop of more than 70 per cent compared to last year. In a difficult situation, the company carried out major reductions in its operations and costs, totalling over EUR 1.5 billion compared to the 2019 cost level. As part of these cost-cutting measures, almost all of the company's employees were furloughed for part of the year and the number of personnel decreased by around 1,100 people. Despite all the savings measures, the company recorded a comparable financial loss of EUR -595.3 million and the operating result fell to -71.8 per cent due to the decrease in net sales.

Focus on business continuity and long-term competitiveness

During the year, Finnair acquired approximately EUR 1.8 billion in new financing. The State used EUR 286 million, in accordance with its shareholding, in Finnair's stock warrant issue of approximately EUR 500 million and provided a guarantee of EUR 540 million for a loan to finance the company's earnings-related pension contributions. In addition, Finnair started preparations for a hybrid security of up to EUR 400 million with the Finnish State. Thanks to these robust measures, Finnair's balance sheet and cash reserves remained at a healthy level. The social and financial responsibility aspects were highlighted during the year marked by the pandemic. Where Finnair had to resort to redundancies, it supported re-employment through a comprehensive programme of transition security for the dismissed employees. Finnair is committed to ambitious emissions targets.

Fortum Corporation

Fortum is primarily engaged in electricity and heat generation, waste incineration and circular economy solutions. At the end of 2020, Fortum held 76 per cent of the shares and voting rights in Uniper.

FORTUM CORPORATION

State shareholding

50.8%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

Safeguarding electricity generation in all circumstances

Board of Directors (Proposal of the Nomination Committee) 28 April 2021

Veli-Matti Reinikkala (Chair), Luisa Delgado, Essimari Kairisto, Anja McAlister, Teppo Paavola, Philipp Rösler, Annette Stube

Chief Executive Officer

Markus Rauramo

Key financial indicators	2020*	2019
Net sales, EURm	49,017	5,447
Operating income, EURm	1,599	1,118
Operating margin, %	3.3	21
Total assets, EURm	57,810	23,364
Equity ratio, %	27	57
Gearing, %	54	40
Return on equity, %	14	12
Return on investment, %	11	10
Total dividends paid, EURm	995	977
Dividends received by the State, EURm	505	495
Investments, EURm	2,902	802
Personnel, total, at 31 Dec.	19,933	8,191
Personnel, Finland, at 31 Dec.	2,370	2,234
Gender composition of the management team w/m	2/7	2/8
Gender composition of the Board of Directors w/m	4/5	3/5
Total tax footprint	1,724	771
Tax footprint in Finland	231	224

*) Uniper merged as a subsidiary as of 1 April 2020

Restructuring continued

In addition to the coronavirus pandemic, 2020 was marked by active strategy implementation

and a strengthening cooperation between Fortum and Uniper. The joint strategy was announced in December. Fortum's shareholding in Uniper increased from 49.99 per cent to approximately 76 per cent. The effects of the Covid-19 pandemic mainly affected the operations in Russia. Otherwise, the impact on Fortum was fairly limited. During the year under review, Fortum carried out several strategic asset reviews to optimise its business operations. The company decided to divest its district heating businesses in Joensuu and Järvenpää, for which it recorded a capital gain of EUR 722 million. In addition to the district heating businesses in the Baltic states, Poland and Sweden, Fortum announced the launch of a strategic review of its Consumer Solutions division. In 2020, Fortum's financial result was pushed down largely by a decline in electricity prices explained by the high levels of water reserves, lower levels of nuclear power production and a weaker Russian rouble. After the first quarter, Fortum prepared consolidated financial statements with Uniper. Uniper's contribution to the comparable operating profit for the three quarters was EUR 363 million. Otherwise, with the exception of the Consumer Solutions division, comparable profit levels decreased in other divisions.

A new, common strategy

Fortum Group's new strategy aims to drive the energy transition and sustainable profit growth. Growth is based on carbon-neutral power generation where gas and water play a major role. Synergies are estimated to be around EUR 100 million per year in the medium term. Fortum's new sustainable development goals aim to reduce the emissions burden on power generation by 50 per cent by 2030 and achieve carbon neutrality by 2035 in Europe and for the company as a whole by 2050. In addition to these, the new financial targets indicate that Fortum's focus is mainly on the balance sheet and dividend.

Neste Corporation

Neste is the world's leading producer of diesel fuel made from wastes and residues and creates renewable solutions for the aviation and plastics industries. The company aims to become a global market leader in renewable and circular economy solutions.

NESTE CORPORATION

State shareholding

44.2% (Prime Minister's Office 35.9%, Climate Fund Ltd 8.3%)

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To secure nationwide fuel supply with due regard to the maintenance of emergency stocks of critical supplies.

Board of Directors 30 March 2021

Matti Kähkönen (Chair), Marco Wiren (Vice Chair), Sonat Burman-Olsson, Nick Elmslie, Martina Flöel, Jean-Baptiste Renard, Jari Rosendal, Johanna Söderström, John Abbott

Chief Executive Officer

Peter Vanacker

Key financial indicators	2020	2019
Net sales, EURm	11,751	15,840
Operating income, EURm	828	2,229
Operating margin, %	7.0	14.1
Total assets, EURm	9,815	9,793
Equity ratio, %	60.4	60.5
Gearing, %	-4.5	-3.2
Return on equity, %	12.0	33.9
Return on investment, %	11.5	33.4
Total dividends paid, EURm	615	785
Dividends received by the State*, EURm	272	347
Investments, EURm	972	568
Personnel, total, at 31 Dec.	4,833	5,474
Personnel, Finland, at 31 Dec.	3,798	3,794
Gender composition of the management team w/m	3/9	2/9
Gender composition of the Board of Directors w/m	3/6	3/5
Total tax footprint	3,609	4,119
Tax footprint in Finland	2,989	3,373

Year of the pandemic

Neste's business was among those affected by Covid-19. Neste's comparable operating profit fell from last year's historically high level to EUR 1,416 (1,962) million.

The pandemic particularly affected the profitability of Oil Products as demand weakened. Oil Products' comparable operating profit was EUR 50 (386) million. For Renewable Products, the comparable operating profit was EUR 1,334 (1,599) million, remaining at a good level. The raw materials market for Renewable Products tightened during the year, affecting the sales margin. The financial result of the Marketing & Services segment, i.e. the service station network, fell to EUR 68 (77) million, but the comparison figure, or the comparable operating profit, includes EUR 16 million from the divested Russian operations. Neste's balance sheet remains strong.

Neste decided to close the Naantali refinery operations by the end of March 2021, moving the operations to the Porvoo refinery.

The shareholder's total return (change in the share price and dividends received) was 94 per cent in 2020. At the end of 2020, Neste's entire share capital was valued at EUR 45,507 (23,861) million. The value of the State's share capital was EUR 20,121 (10,562) million.

Strategy progresses

Due to delays caused by the pandemic, the completion of the 1.3 million tonne expansion project for Singapore's Renewable Products will be postponed from 2022 to 2023. Neste is the world's largest producer of renewable diesel and renewable aviation fuel produced from waste and residues. The company aims to reduce its customers' carbon dioxide emissions by 20 million tonnes by 2020. Neste is committed to making its production carbon neutral by 2035.

1.9 Non-listed commercial companies

Arctia Ltd

Icebreaking and multipurpose vessel services, maintenance and operation of waterways and canals, prevention of environmental accidents, hydrographic surveying, other watercourse-related services and the provision of expert services.

ARCTIA LTD

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To ensure winter navigation capabilities in order to serve the needs of Finnish business and industry and provide hydrographic surveying services necessary for the maintenance of naval preparedness.

Board of Directors 15 March 2021

Pertti Saarela (Chair), Mats Rosin (Vice Chair), Hanna Masala, Sinikka Mustakari, Pirjo Kiiski, Kari Savolainen.

Chief Executive Officer

Maunu Visuri

Key financial indicators	2020	2019
Net sales, EURm	80.8	79.1
Operating income, EURm	2.4	0.0
Operating margin, %	3.0%	0.0%
Total assets, EURm	283.7	288
Equity ratio, %	50.2%	49.1%
Gearing, %	60.3%	72.6%
Return on equity, %	0.6%	-1.4%
Return on investment, %	0.9%	-1.0%
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	6.8	9.5
Personnel, total, at 31 Dec.	439	482
Personnel, Finland, at 31 Dec.	439	482
Gender composition of the management team w/m	1/3	2/2
Gender composition of the Board of Directors w/m	3/3	3/3
Total tax footprint, EURm	10.6	10.5
Tax footprint in Finland, EURm	10.6	10.5

Financial result improved due to waterway management projects

Arctia's net sales increased by EUR 80.1 million on the previous year. Although the company's oil spill prevention agreement expired at the end of 2019, net sales increased significantly in the waterway maintenance business due to two major oil spill response projects. The Group's operating profit increased to EUR 2.4 million, reflecting the improved net sales in waterway maintenance. The Group's balance sheet and financial position remained stable. Due to the historically mild winter, the number of operating days in icebreaking continued to fall relative to the previous financial year. In 2020, the conventional icebreakers clocked 322 (547) operating days in total. Multi-purpose icebreakers did not operate during the reporting period. During the open water season, port assistance and escort tug operations were carried out. Due to the poor outlook for international chartering, the company decided to discontinue its offshore business and consequently there were no offhire days, compared to 19 days in the previous financial year. Waterway maintenance focused on improving the operations in accordance with the service agreement model, especially in the port and water area sectors. At the end of 2020, the company had service agreements with several ports and companies operating in port areas. Net sales in hydrographic surveying suffered from the Covid-19 pandemic as international projects were suspended.

Corporate responsibility in the company strategy

Corporate responsibility is high on Arctia's agenda. Arctia provides services that help improve safety at sea and supports sustainable use of water areas. The importance of responsible action is highlighted, as the company operates in sensitive sea areas. Corporate responsibility is one of the cornerstones of the Group's new strategy, with measurable targets for the agreed key projects.

Boreal Plant Breeding Ltd

Boreal Plant Breeding Ltd breeds and markets productive and high-quality varieties of field crops for professional farmers operating in the harsh growing conditions prevailing in northern Europe.

BOREAL PLANT BREEDING LTD

State shareholding

65.0% (60.75% until 15 March 2021)

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To ensure the continued breeding of production plant species suitable for the northern climate necessary for the proper functioning of the market and retention of ownership of the material being bred. Availability of varieties is also important to the maintenance of emergency stocks of critical supplies.

Board of Directors 30 March 2021

Riitta Mynttinen (Chair), Birgitta Vainio-Mattila (Vice Chair), Antti Ollila, Minna Oravuo, Mia Rainio.

Chief Executive Officer

Markku Äijälä

Key financial indicators	2020	2019
Net sales, EURm	9.52	9.84
Operating income, EURm	0.41	0.46
Operating margin, %	3.7%	4.7%
Total assets, EURm	12	12.2
Equity ratio, %	66.7%	64.8%
Gearing, %	-15.0%	-5.1%
Return on equity, %	3.5%	3.2%
Return on investment, %	4.3%	5.1%
Total dividends paid, EURm	0.15	0.26
Dividends received by the State, EURm	0.10	0.16
Investments, EURm	0.7	0.8
Personnel, total, at 31 Dec.	77	70
Personnel, Finland, at 31 Dec.	77	70
Gender composition of the management team w/m	2/4	2/4
Gender composition of the Board of Directors w/m	4/1	4/1
Total tax footprint, EURm	2.9	3.0
Tax footprint in Finland, EURm	2.9	3.0

Enabling domestic food production

Boreal Plant Breeding's mission is to enable Finnish food producers to improve their competitiveness by breeding crop varieties important to domestic production and making them thrive in northern regions. Boreal also plays a key role in maintaining the emergency stocks of critical supplies. In 2020, Boreal's position on the Finnish market remained strong despite intensifying competition. All in all, over 1.1 million hectares – more than half of all the fields in Finland – were cultivated using varieties developed by the company.

In 2020, net sales were EUR 9.5 million, down by 3.2 per cent year-on-year. The decrease was explained by a 61.7 per cent decrease in sales through representative partner companies. Own seed sales rose by 22.9 per cent. Royalties from certified seed sales increased by 8.3 per cent and TOS royalties by 9.0 per cent. Comparable royalties from export markets increased by 26.6 per cent. Operating profit for the financial year was EUR 408,000 (460,000). The breeding programmes continued their work at the same high level as during previous years. Due to the summer drought, the autumn 2020 harvest yields were significantly below the previous year's level, which is why some varieties are estimated to have seed shortages in spring 2021. In late 2020, however, royalties exceeded the forecast and led to a good result, as due to the exceptional circumstances seed sellers carried out certifications in the autumn instead of spring.

Change in ownership

After the end of the financial year, Boreal's shareholders unanimously agreed that the company would redeem and cancel 1,077 shares owned by Vilmorin & Cie. After the change, the Finnish State's shareholding in the company increased to 65 per cent from 60.75 per cent.

Finavia Corporation

The company maintains and develops the Helsinki-Vantaa Airport and an airport network covering the entire country.

FINAVIA CORPORATION

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To ensure the provision domestic and international air transport services by maintaining and developing Finland's airport network.

Board of Directors 26 March 2021

Harri Sailas (Chair), Johanna Kara, Kati Levoranta, Tuija Pesonen, Esko Pyykkönen, Erkkka Valkila and Stefan Wentjärvi

Chief Executive Officer

Kimmo Mäki

Key financial indicators	2020	2019
Net sales, EURm	150.6	389.2
Operating income, EURm	-128.9	44
Operating margin, %	-85.6	11.3
Total assets, EURm	1,476.5	1,360.1
Equity ratio, %	36.3	50.1
Gearing, %	135.8	72.0
Return on equity, %	-24.2	5.1
Return on investment, %	-10.2	4.5
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	257.2	306.1
Personnel, total, at 31 Dec.	1,366	2,239
Personnel, Finland, at 31 Dec.	1,366	2,239
Gender composition of the management team w/m	3/6	3/6
Gender composition of the Board of Directors w/m	3/4	3/4
Total tax footprint, EURm	45.4	67.9
Tax footprint in Finland, EURm	45.4	67.9

Passenger numbers plummeted

The Covid-19 pandemic, which began at the beginning of 2020, had an unprecedented impact on global air traffic and Finavia was plunged into the deepest crisis in its history. As a result of the travel restrictions imposed by states and reduced movement, air traffic at Finavia airports decreased by around 90 per cent from the normal levels. In 2020, the total number of passengers passing through Finavia's airports decreased to 6.4 million passengers from around 26 million in 2019. Finavia's net sales fell by 61.3 per cent to EUR 150.6 million in 2020 and the company recorded a loss of EUR -128.9 million.

Due to the pandemic, in March 2020 Finavia launched a massive savings programme of EUR 200 million, which included cuts in investments and operating costs. Finavia sought savings in procurement, administrative costs and personnel costs. Following a cooperation procedure at the end of 2020, the parent company Finavia Plc ended up making 110 employees redundant, in addition to which the subsidiary Airpro announced that it would dismiss approximately 300 employees.

Finavia applied to the Finnish State for capitalisation and acquired debt financing from its financiers. After the financial year, an equity increase of EUR 317 million was confirmed, which will ensure Finavia's financial position and ability to complete the development programme for several airports.

Corporate responsibility

Finavia has an ambitious corporate responsibility programme with safety, sustainable development and accessibility at its core. Finavia's airports are carbon neutral. The next objective is to achieve zero net emissions for the entire company.

Fingrid Oyj

Fingrid's main strategic objectives are to secure a reliable supply of electricity and effective markets for society as well as to provide affordable services responsive to the needs of customers.

FINGRID OYJ

State shareholding

53.1% (28.2% Ministry of Finance, 24.9% National Emergency Supply Agency)

Ownership steering

Ministry of Finance

Strategic interest of ownership

To secure the usability and trouble-free operation of electricity transmission and the power system under all conditions.

Board of Directors 1 January 2021

Juhani Järvi (Chair), Päivi Nerg (Vice Chair), Hannu Linna, Esko Torsti, Sanna Syri

Chief Executive Officer

Jukka Ruusunen

Key financial indicators	2020	2019
Net sales, EURm	682.5	789.4
Operating income, EURm	118.4	115.5
Operating margin, %	17.3	14.6
Total assets, EURm	2,306.8	2,145.1
Equity ratio, %	27.4	32.0
Gearing, %	165.9	150.7
Return on equity, %	14.3	11.6
Return on investment, %	7.0	6.4
Total dividends paid, EURm	135.6*	148.2
Dividends received by the State, EURm	50.2*	54.9
Investments, EURm	150	117.3
Personnel, total, at 31 Dec.	408	380
Personnel, Finland, at 31 Dec.	405	378
Gender composition of the management team w/m	3/6	3/6
Gender composition of the Board of Directors w/m	2/3	3/2
Total tax footprint	71.8	90.7
Tax footprint in Finland	71.8	90.7

Overview of events in 2020

In terms of operations, Fingrid's financial year went according to plan. Its financial performance did not reach the anticipated level, mainly due to exceptionally warm weather. For Fingrid's investments, it was a record year in quantitative terms, and the investments progressed as planned even during the Covid-19 pandemic. National grid transmission prices remained unchanged. Transmission reliability was 99,99995 per cent, which is the best result ever. Fingrid's grid transmitted 68.4 terawatt hours of electricity, equivalent to 77.9 per cent of Finland's total power transmission (consumption and through-transmission). Average downtime due to disruptions in the national grid was 0.51 minutes, a clear improvement on the previous year.

Among European companies with a similar infrastructure, Fingrid's grid pricing was the third lowest. According to the customer satisfaction survey, customer confidence has remained strong and respondents considered Fingrid's operations for the benefit of society a particular strength. Fingrid's Net Promoter Score (NPS) was 45, which is an excellent result for a monopoly. The cross-border transmission links worked very well, and the company was able to make the existing transmission capacity available to the market. Total investments for the year amounted to nearly EUR 170 million. Grid investments play a key role in enabling the transition towards a clean power system. Occupational safety remained at a reasonably good level, with the accident frequency at 11.1 per million working hours.

Corporate responsibility is a key company value that is reflected in all its operations. Fingrid also expects responsible business practices of its partners. No significant discrepancies were detected in the supply chain audits. In the Siqni employee survey, the eNPS referral index was 71 and the sickness absences for the year were very low.

Gasgrid Finland Oy

Gasgrid's key strategic objectives are to ensure effective gas transmission and gas market performance cost-effectively and to develop the hydrogen and clean gas markets.

GASGRID FINLAND OY

State shareholding

100% (direct holding 26.5% and 50.2% of voting rights and the rest through Suomen Kaasuverkko Oy)

Ownership steering

Ministry of Finance

Strategic interest of ownership

To ensure the usability and trouble-free operation of gas transmission and the gas system under all conditions.

Board of Directors 1 January 2021

Kai-Petteri Purhonen (Chair), Asta Sihvonen-Punkka, Päivi Nerg, Jero Ahola and Saija Kivinen

Chief Executive Officer

Olli Sipilä

Key financial indicators	2020	2019
Net sales, EURm	126.9	-
Operating income, EURm	67.2	-
Operating margin, %	53	-
Total assets, EURm	454.7	-
Equity ratio, %	51.4	-
Gearing, %	37.4	-
Return on equity, %	18.7	-
Return on investment, %	18.6	-
Total dividends (proposal), EURm	40.0	-
Dividends received by the State, EURm	40.0	-
Investments, EURm	8.6	-
Personnel, total, at 31 Dec.	42	-
Personnel, Finland, at 31 Dec.	42	-
Gender composition of the management team w/m	1/3	-
Gender composition of the Board of Directors w/m	3/2	-
Total tax footprint EURm	100.7	-
Tax footprint in Finland, EURm	100.7	-

Overview of events in 2020

Gasgrid's operations as an independent company started on 1 January 2020. The launch

of company's operations and the opening up of the gas market were completed successfully. Security of supply was 100 per cent and there were zero accidents. The company's transfer price fell by 18 per cent at the beginning of the year. The company's economic and financial position is good. Gasgrid's customers transferred a total of 25.3 TWh of gas on the market, which is one per cent less than in 2019, largely explained by the warmer-than-usual start of the year. The Covid-19 pandemic did not significantly affect the demand for Gasgrid's transfer products. In the second half of the year, the good competitiveness of gases was reflected in better demand relative to the previous year. The exceptional year highlighted the strengths of gases, such as large-scale flexibility and security of supply. The Finnish gas market is now connected to the Baltic market, where infrastructure projects are underway, the completion of which will further improve the Finnish market.

The reformed strategy was carried out extensively in cooperation with stakeholders, seeking to ensure that clean gases, the hydrogen economy at the forefront, will contribute to enabling a carbon-neutral society of the future. This business trend strengthened even though global uncertainty remained exceptionally high throughout the year.

Gasgrid's corporate responsibility programme is integrated into the company's operations and covers four themes: responsible corporate citizenship, people, security and security of supply, and carbon neutrality targets. The company conducted two workplace satisfaction and leadership surveys with the responses at an average of 4.12 and 4.19 (on a scale of 1–5). While the company recognised the good average, it took a number of further improvement measures. Gasgrid based its wholesale and retail market forums on a continuous customer dialogue.

Gasum Corporation

Gasum is a Nordic energy company that produces biogas, distributes LNG and imports natural gas to Finland. Gasum supplies energy for industry, for combined heat and power production, and for land transport and shipping.

GASUM CORPORATION

State shareholding

100% (26.5% Prime Minister's Office 73.5% Gasonia Oy)

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To secure the supply of methane-based industrial raw materials and fuels for energy production with due regard to the maintenance of emergency stocks of critical supplies.

Board of Directors 26 March 2021

Elina Engman (Chair), Elisabet Salander Björklund, Stein Dale, Torbjörn Holmström, Minna Pajumaa, Päivi Pesola and Ari Vanhanen

Chief Executive Officer

Johanna Lamminen

Key financial indicators	2020	2019*
Net sales EURm	664	1,128 (926)
Operating profit EURm	5.7	141 (51)
Operating margin %	0.9	12.5 (5.5)
Total assets EURm	1,362	1,648
Equity ratio %	36	45
Gearing %	122	83
Return on equity %	-1.5	13.6
Return on investment %	2.6	11.9
Total dividends paid EURm	0	20
Dividends received by the State EURm	0	20**
Investments EURm	200	70
Personnel, total, at 31 Dec.	384	373
Personnel, Finland, at 31 Dec.	216	244
Gender composition of the management team w/m	3/6	3/5
Gender composition of the Board of Directors w/m	4/3	3/4
Total tax footprint	113	181
Tax footprint in Finland	68	205

*) continuing and discontinued business operations in 2019, continuing operations in brackets **) Prime Minister's Office EUR 5.3 million Gasonia EUR 14.7 million

Efforts to develop the Nordic gas market progressed

The year was marked by active strategy implementation, but also by the uncertainties brought about by the Covid-19 pandemic and the opening up of the natural gas market, which attracted new players to the market. For the strategy implementation, Linde AG's LNG biogas businesses and Nauticor Marine Bunkering businesses were major acquisitions. Gasum also invested in increasing the availability of biogas by acquiring a biogas plant in Skövde and making an investment decision on a biogas plant in Götene. In heavy goods transport and shipping, demand for gas developed positively. Gasum increased its partner and customer base in the transport segment. The company also sees strong growth potential in the longer term, both in shipping and heavy goods transport. Gas prices first declined because of a warm winter and high inventory levels but recovered towards the end of the year. Falling gas prices contributed to the decrease in net sales. However, the company's adjusted operating profit increased on the previous year's level to EUR 33.8 (28.9) million. Acquisitions increased the level of investment and, consequently, the level of indebtedness. The effects of the Covid-19 pandemic mainly showed as delays in the commissioning of new plants and customer projects, and in demand for transport fuels. Gasum continued to develop its occupational safety culture, achieving positive results in reducing accident frequency.

Aiming for a million-tonne reduction in emissions

At the heart of Gasum's strategy is reducing the carbon footprint of the company's customers and their customers. The efforts to reduce the emissions burden will continue in both shipping and heavy goods transport, creating business opportunities for Gasum. Gasum aims to significantly increase the availability of biogas by 2025 and cumulatively reduce its carbon dioxide emissions by one million tonnes.

Kemijoki Oy

Kemijoki's power plants generate approximately one third of Finland's hydroelectric power. The electricity produced by the company is sold at cost to its shareholders, and the company does not seek profit.

KEMIJOIKI OY

State shareholding

50.1%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

No strategic interest.

Board of Directors 7 April 2021

Risto Andsten (Chair), Tapio Korpeinen (Vice Chair), Tapio Jalonen, Markus Katara, Simon-Erik Ollus, Anne Simolinna, Juha-Pekka Weckström.

Chief Executive Officer

Tuomas Timonen

Key financial indicators	2020	2019
Net sales, EURm	53.3	53.1
Operating income, EURm	5.3	5.6
Operating margin, %	9.9%	10.6%
Total assets, EURm	490.1	485.4
Equity ratio, %	10.5%	10.6%
Gearing, %	807.0%	824.1%
Return on equity, %	1.6%	1.5%
Return on investment, %	1.1%	1.2%
Total dividends paid, EURm	0.8	0.8
Dividends received by the State, EURm	0.4	0.4
Investments, EURm	17.5	19.9
Personnel, total, at 31 Dec.	39	38
Personnel, Finland, at 31 Dec.	39	38
Gender composition of the management team w/m	1/7	1/6
Gender composition of the Board of Directors w/m	1/6	1/6
Total tax footprint, EURm	28.5	28.1
Tax footprint in Finland, EURm	28.5	28.1

Electricity generation at the previous years' level

In 2020, the total availability of power stations decreased to 96.9 per cent from 98.9 per cent. During the year, Kemijoki stations generated 4,793 (4,498) GWh of electricity, which accounted for 31 (36) per cent of all the hydropower produced in Finland. In the long-term comparison, the production volume was slightly above average. At the end of the year, the water reserves stood at 84 per cent (57), well above the average levels. As Kemijoki generates electricity at cost for its shareholders, its key priority is cost-efficiency. The biggest single cost item is real estate tax. In September 2020, the City of Rovaniemi again granted a building permit for the powerhouse and gate building. Appeals against both the building permit and the exemption permit concerning Capricornia boisduvaliana and Moehringia lateriflora were filed at the Administrative Court of Northern Finland. Total investments for the reporting period amounted to EUR 17.5 (19.9) million.

Hydropower plays a key role in mitigating climate change

Hydropower is Finland's most important source of renewable electricity as it reduces the need for fossil fuels and so mitigates climate change. Aside from its benefits, hydropower also has adverse environmental impacts arising from the construction of new power plants, the control use of existing stations and the regulation of water levels.

In 2020, a total of EUR 4.7 (4.5) million was used for environmental management to mitigate the adverse environmental impacts. The company engages in active cooperation with other actors in planning measures to restore fish stocks.

Leijona Catering Oy

Leijona Catering is a Finnish catering company with close to 60 sites that prepares over 70,000 meals each day. Leijona Catering focuses on a strategic partnership with the Finnish Defence Forces and government sites critical to national security.

LEIJONA CATERING OY

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To secure the operations of the Defence Forces by providing essential food services under all conditions.

Board of Directors 17 March 2021

Anne Ilola (Chair), Anu Ora, Sanna Poutiainen, Jari Punkari, Timo Rotonen, Anton Westermarck.

Chief Executive Officer

Ritva Paavonsalo

Key financial indicators	2020	2019
Net sales, EURm	73.3	75.5
Operating income, EURm	5.6	5.6
Operating margin, %	7.6%	7.4%
Total assets, EURm	29.4	28.3
Equity ratio, %	63.9%	65.0%
Gearing, %	-80.9%	-78.3%
Return on equity, %	23.7%	24.7%
Return on investment, %	30.1%	31.5%
Total dividends paid, EURm	5.0	4.0
Dividends received by the State, EURm	5.0	4.0
Investments, EURm	2.1	1.2
Personnel, total, at 31 Dec.	511	497
Personnel, Finland, at 31 Dec.	511	497
Gender composition of the management team w/m	4/0	4/1
Gender composition of the Board of Directors w/m	3/3	2/4
Total tax footprint, EURm	11.1	10.1
Tax footprint in Finland, EURm	11.1	10.1

Relative profitability improved

Leijona Catering provides the Defence Forces with catering services in all readiness conditions.

The Covid-19 crisis emphasised Leijona Catering's role as a security critical actor. In the Finnish Defence Forces partnership, the exceptional arrangements necessitated by the crisis significantly increased business volumes as demand for field catering increased. Additionally, Leijona Catering is responsible for meal services at 25 prisons operated by the Criminal Sanctions Agency. Leijona Catering's business continued to be profitable in 2020, although net sales decreased by 2.9 per cent due to the Covid-19 pandemic. Leijona Catering's net sales were EUR 73.3 million (75.5), and operating profit remained at EUR 5.6 million (5.6). The company's investments increased to EUR 2.1 million (1.2). Leijona Catering also continued its long-term efforts to improve customer orientation and operational efficiency as well as to promote skills development.

Impact of Covid-19 and new corporate responsibility measures

The adjustments made due to the Covid-19 crisis and the operational changes implemented in the exceptional circumstances ensured the profitability of the company's operations. The new food purchase agreement, product management and product development curbed the rise in food costs.

Covid-19 had negative impact on Leijona's workplace and student canteens. In these restaurants, staff had to be furloughed and operations adjusted, while considering the customer needs for catering services.

As for corporate responsibility measures, Leijona Catering's total real estate and process energy emissions decreased by 22 per cent from the previous year's level. In addition, the company renewed the ethical channel at its disposal so that anyone can report any suspected wrongdoing against the company's code of ethics and values.

Motiva Oy

Motiva Oy is a state-owned specialist in sustainable development, offering its stakeholders information, solutions and services designed to promote sustainable development.

MOTIVA OY

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To ensure impartial expert and project management services for promoting energy efficiency, renewable energy and resource efficiency.

Board of Directors 25 March 2021

Anja Kahri (Chair), Petteri Kuuva, Jukka Ohtola, Timo Tähtinen, Eeva Vakkilainen

Chief Executive Officer

Vesa Silfver

Key financial indicators	2020	2019
Net sales, EURm	7.1	7.8
Operating income, EURm	0.5	0.8
Operating margin, %	7.0	10.3
Total assets, EURm	4.7	4.8
Equity ratio, %	59.1	56.8
Gearing, %	-80.8	-96.0
Return on equity, %	15.7	31.2
Return on investment, %	19.6	35.7
Total dividends paid, EURm	0.3	0.3
Dividends received by the State, EURm	0.3	0.3
Investments, EURm	0	0
Personnel, total, at 31 Dec.	63	61
Personnel, Finland, at 31 Dec.	63	61
Gender composition of the management team w/m	4/1	5/1
Gender composition of the Board of Directors w/m	2/3	2/3
Total tax footprint, EURm	2.3	2.3
Tax footprint in Finland, EURm	2.3	2.3

Financial performance

Motiva Group's consolidated net sales for 2020 were EUR 7.1 million (7.8) and operating profit was EUR 0.5 million (0.8). Net sales decreased

by 9 per cent and profit before taxes by 42 per cent. The decrease in the parent company's net sales is explained by a decrease in the amount of subcontracting to be invoiced. However, the parent company's profitability improved, due not only to steady demand, but also to renewed and intensified sales operations and a small reduction in costs. The subsidiary Motiva Services focused on developing new business opportunities. In addition, the weaker financial result year-on-year is explained by a non-recurring item in 2019, which improved profitability at the time.

The Covid-19 pandemic had a negative impact on the business of the subsidiary Ecolabel Finland Ltd as its net sales decreased by more than 10 per cent and it made a small loss. At group level, however, the impact was small. The Group's result for the financial year was EUR 370,000.

Motiva Oy is an in-house entity specified in the Act on Public Procurement and Concession Contracts (1397/2016). In recent years, Motiva Oy's role has expanded from a specialist in energy and materials efficiency and renewable energy to a company that promotes sustainable development on a broad front.

Promoting sustainable development

Energy and materials efficiency and the circular economy, both an integral part of Motiva's mission, are key ways to curb climate change in municipalities and regions, businesses and households. The company promoted these goals in various projects during the year. In 2020, for example, Motiva prepared a roadmap for the long-term construction repair strategy and an extensive advisory forum on heating, ventilation and air conditioning systems, to be launched in 2021. The project providing information on sustainable housing will continue to implement the Energy Assistant, an advisory service based on artificial intelligence, launched in 2020 with the Ministry of the Environment.

Nordic Morning Group Plc

Nordic Morning Group's three business areas are Nordic Morning, Edita Prima and Edita Publishing. Nordic Morning includes one company in Finland and several companies in Sweden. Edita Prima Oy and Edita Publishing Oy are based in Finland.

NORDIC MORNING GROUP PLC

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

No strategic interest

Board of Directors 11 March 2021

Jukka Ruuska (Chair), Mervi Airaksinen, Jani Engberg, Anne Korkiakoski, Niko Korte, Jukka Ohtola

Chief Executive Officer

Anne Årneby

Key financial indicators	2020	2019
Net sales, EURm	73.9	77.5
Operating income, EURm	-2.2	0.6
Operating margin, %	-3.0	0.8
Total assets, EURm	48.7	48.3
Equity ratio, %	32.8	38.6
Gearing, %	77.3	62.0
Return on equity, %	-12.6	1.6
Return on investment, %	-5.3	1.9
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	2.7	2.1
Personnel, total, at 31 Dec.	379	442
Personnel, Finland, at 31 Dec.	224	255
Gender composition of the management team w/m	4/4	n/a
Gender composition of the Board of Directors w/m	2/4	4/2
Total tax footprint, EURm	17.5	19.5
Tax footprint in Finland, EURm	7.6	7.8

Financial performance

Nordic Morning Group has three business areas: Nordic Morning focuses on knowledge-intensive marketing and service design, Edita Prima provides automated services for customer communications and Edita Publishing publishes textbooks, provides legal services and develops intelligent learning and information solutions.

Nordic Morning Group's consolidated net sales decreased by 4.8 per cent on the previous year to EUR 73.9 million. Net sales increased by 13.5 per cent in the Edita Prima business area to EUR 32.1 million due to the high volume of letter delivery, significant service projects and new customer accounts. In the Nordic Morning business area, net sales decreased by 17.3 per cent to EUR 29.8 million, largely due to the effects of the Covid-19 pandemic, and the business area recorded a loss. In the Edita Publishing business area, net sales decreased by 8.9 per cent to EUR 12.1 million due to reduced demand for teaching materials. The Group's operating result showed a loss of EUR -2.2 million, which was attributed to a decline in net sales and non-operating items, such as provisions due to restructuring. Operating profit before non-operational items was EUR 0.8 million.

Corporate responsibility

Nordic Morning's CR priorities include financial responsibility, social responsibility and environmental responsibility. The corporate responsibility programme is integrated into the Group's strategy and business operations. In 2020, the Group achieved its lowest energy consumption in 20 years and the determined efforts to reduce carbon dioxide emissions will continue. The Group's environmental strategy is based on environmental awareness, environmentally responsible operations, services and products. The production facility in Helsinki is ISO 14001 certified and has been awarded the Nordic Swan Ecolabel.

Patria Plc

Patria is an international provider of defence, security and aviation lifecycle support services and technology solutions. The company's products include flight training; intelligence, control and management systems; armoured wheeled vehicles; and mortar systems.

PATRIA PLC

State shareholding

50.1%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To secure the operation of the Defence Forces by producing essential military materiel and services under all conditions.

Board of Directors 8 April 2021

Panu Routila (Chair), Harald Aarø, Eirik Lie, Päivi Marttila, Jarle Næss, Ari Puheloinen, Gyrid Skalleberg Ingerø, Petri Vihervuori.

Chief Executive Officer

Esa Rautalinko

Key financial indicators	2020	2019
Net sales, EURm	534.1	507.5
Operating income, EURm	40.3	7.8
Operating margin, %	7.5%	1.5%
Total assets, EURm	694.7	651.4
Equity ratio, %	38.8%	39.1%
Gearing, %	72.1%	70.8%
Return on equity, %	15.3%	2.0%
Return on investment, %	9.5%	2.3%
Total dividends paid, EURm	16.7	13.9
Dividends received by the State, EURm	8.4	7.0
Investments, EURm	13.6	30.6
Personnel, total, at 31 Dec.	2,973	3,055
Personnel, Finland, at 31 Dec.	2,735	2,797
Gender composition of the management team w/m	2/8	3/8
Gender composition of the Board of Directors w/m	2/6	2/6
Total tax footprint	95.3	87.0
Tax footprint in Finland	82.1	72.6

New growth strategy and a good result

Patria Group's new strategy was confirmed in autumn 2020, allowing the company to further improve its operational efficiency and financial results. Patria's reliable and cost-effective lifecycle support services and state-of-the-art products will continue to play a key role in maintaining the required performance of its customers' fleets in all circumstances.

Patria Group's new orders in the financial year 2020 amounted to EUR 1,400.2 million (432.1). Millog's new strategic partnership agreement with the Finnish Defence Forces for 2021–2028 had a significant impact on this. Consolidated net sales increased by 5.2 per cent relative to the previous year and the operating margin rose to 7.5 per cent (1.5 per cent). With the exception of the Land business, all units of the Group improved their result. The Group's R&D expenditure for the financial year was EUR 10.0 (8.7) million. Overall, Covid-19 had a limited impact on the Group.

The Finnish Defence Forces is currently working on a record-breaking project to replace the Air Force's fighter fleet. Patria is looking to secure a sizeable percentage of the industrial cooperation to be generated by the project. The development project of the Patria 6x6 vehicle with Finland and Latvia is proceeding as planned, and Patria expects the programme to lead to actual vehicle system purchases during 2021. It is anticipated that the programme will also be of interest to other countries that want to improve the mobility of their ground forces.

Responsible operations lay the foundations for Patria's profitable business. At the end of the financial year, Transparency International Defence & Security published the results of the Defence Companies Anti-Corruption Index (DCI) 2020, which ranked Patria in the second highest category B, a good result.

Posti Group Corporation

Posti Group Corporation is Finland's leading delivery and logistics company. According to its renewed strategy, parcel transport and logistics are at the core of Posti's growth in Finland, and postal services play an important complementary and supportive role.

POSTI GROUP CORPORATION

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To provide postal services throughout Finland.

Board of Directors 9 April 2021

Sanna-Suvanto Haarsae (Chair), Per Sjödel (Vice Chair), Raija-Leena Hankonen, Harri Hietala, Sirpa Huuskonen, Kari-Pekka Laaksonen, Frank Marthaler, Satu Ollikainen (staff representative), Minna Pajumaa, Hanna Vuorela

Chief Executive Officer

Turkka Kuusisto

Key financial indicators	2020	2019
Net sales, EURm	1,614	1,565
Operating income, EURm	55.0	18.5
Operating margin, %	3.4	1.2
Total assets, EURm	1,285	1,194
Equity ratio, %	34.9	37.9
Gearing, %	51.9	36.9
Return on equity, %	6.7	4.3
Return on investment, %	7.3	4.5
Total dividends paid, EURm	31	30
Dividends received by the State, EURm	31	30
Investments, EURm	106	106
Personnel, total, at 31 Dec.	20,909	20,468
Personnel, Finland, at 31 Dec.	17,666	18,307
Gender composition of the management team w/m	3/8	2/7
Gender composition of the Board of Directors w/m	6/3	4/5
Total tax footprint	292	294
Tax footprint in Finland	248	256

Covid-19 increased the parcel volumes

Posti's net sales grew by 3.1 per cent to EUR 1,614 (1,565) million. The comparison of net sales growth is influenced by the postal strike in 2019 and the acquisition of Aditro Logistics, a Swedish contract logistics company. Posti's adjusted operating result increased to EUR 66.1 (36.2) million. Operations subject to universal service obligation accounted for 7.0 (7.4) per cent of the Group's net sales and 3.4 (4.0) per cent of distribution volumes. The Parcel and eCommerce business group clearly benefitted from the online shopping boom. At the same time, demand for traditional postal services fell. In 2020, the volume of parcels grew by a total of 27 per cent in Finland and the Baltic states and around 64 million parcels were delivered. Nearly 18 million Christmas cards were sent, which is nearly 20 per cent more than in the year before. Despite the higher-than-expected Christmas card volumes, the rapid transformation of postal services continued. The number of addressed letters in Finland decreased by 16 per cent. Posti has announced that it will invest more than EUR 100 million in growth and in the development of e-commerce, distribution and logistics businesses. Posti aims to increase the number of parcel delivery lockers to 4,000 by the end of 2022.

Corporate responsibility at the heart of the business

Corporate responsibility is one of the key themes of the renewed strategy, focusing on the environment and personnel.employees. The amount of emissions is one of the indicators determining executive remuneration. During 2020, Posti's carbon dioxide emissions fell by 14 per cent. Posti's long-term target of reducing emissions relative to net sales by 30 per cent against the 2007 baseline was exceeded with a reduction of 37 per cent. Posti aims to reduce its own emissions to zero by 2030. Accident frequency decreased by 13 per cent.

Suomen Lauttaliikenne Oy

Suomen Lauttaliikenne Oy is responsible for both cable ferry and other ferry services along 42 routes in different parts of Finland. The company's largest client is the Centre for Economic Development, Transport and the Environment for Southwest Finland, which is responsible for putting the routes out to open tender.

SUOMEN LAUTTALIIKENNE OY

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To secure cable and other ferry services as part of Finland's public road network.

Board of Directors 31 March 2021

Juha Heikinheimo (Chair), Matias Knip, Kati Niemelä, Håkan Modig, Kaarina Soikkanen

Chief Executive Officer

Mats Rosin

Key financial indicators	2020	2019
Net sales, EURm	58.2	56.5
Operating income, EURm	9.7	9.7
Operating margin, %	16.7	17.2
Total assets, EURm	72.1	66.9
Equity ratio, %	69.3	71.2
Gearing, %	-8.3	-31.8
Return on equity, %	16.0	16.4
Return on investment	19.2	20.7
Total dividends paid, EURm	3.85	5
Dividends received by the State, EURm	3.85	5
Investments, EURm	15.3	10.6
Personnel, total, at 31 Dec.	346	336
Personnel, Finland, at 31 Dec.	346	336
Gender composition of the management team w/m	2/5	2/5
Gender composition of the Board of Directors w/m	2/3	2/3
Total tax footprint, EURm	21.6	21.5
Tax footprint in Finland, EURm	21.6	21.5

Solid growth

Suomen Lauttaliikenne Group consists of the parent company Suomen Lauttaliikenne Oy and its subsidiary Suomen Saaristovarustamo Oy. Suomen Saaristovarustamo Oy holds half of the share capital of the affiliated company Ansgar Ab of Åland Islands. The company operates under its auxiliary business name Finferries.

As in the previous years, the Group's business was stable and profitable. The company increased its net sales to EUR 58.2 million and its operating income remained on level with the previous year at EUR 9.7 million. Investments increased to EUR 15.3 million. Traffic on the company's routes was at an all-time high, which was strongly influenced by increased domestic tourism. Covid-19 affected the company's operating methods, but thanks to the measures taken the company was able to carry out its key functions successfully.

During the year, the company won two tenders, the Hailuoto route for the 2021–2025 season and the Parainen commuter ferry route for the 2021–2026 season. The company's order book is almost at a record level. The company has launched construction projects for two new environmentally-friendly hybrid ferries, the supplier of which has been selected in a non-discriminatory process through competitive tendering.

Corporate responsibility

Suomen Lauttaliikenne heavily invests in the environmental aspects of new buildings and vessels. The latest environmentally friendly technology is used both in new vessels and in modernisation projects for older vessels. Suomen Lauttaliikenne is committed to reducing the burden on sensitive waterways by various means and to reducing its carbon dioxide emissions. In addition to the company's certified ISO 14001 environmental management system, staff training and orientation emphasise the importance of environmental issues.

Mint of Finland Ltd

Mint of Finland manufactures circulation and commemorative coins as well as coin blanks. The bulk of production is exported. The main market areas include Europe, Asia, Africa and South America. The company is one of the world's leading coin exporters. Its customers include the central banks and mints across the world.

MINT OF FINLAND LTD

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

No strategic interest.

Board of Directors 31 March 2021

Kaisa Vikkula (Chair), Päivi Nerg (Vice Chair), Kai Konola, Ari Viinikkala, Petri Vihervuori

Chief Executive Officer

Jonne Hankimaa

Key financial indicators	2020	2019
Net sales, EURm	57.2	56.8
Operating income, EURm	-5.1	-1.4
Operating margin, %	-8.9%	-2.4%
Total assets, EURm	71.5	50.7
Equity ratio, %	37.1%	50.7%
Gearing, %	94.6%	54.7%
Return on equity, %	-19.7%	-6.0%
Return on investment, %	-11.2%	-3.1%
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	0.6	1.1
Personnel, total, at 31 Dec.	208	166
Personnel, Finland, at 31 Dec.	53	50
Gender composition of the management team w/m	2/3	2/3
Gender composition of the Board of Directors w/m	2/3	2/3
Total tax footprint, EURm	-1.0	1.2
Tax footprint in Finland, EURm	0.7	1.3

Financial result continued to weaken

Net sales by the Mint of Finland Group increased by 0.7 per cent to EUR 57.2 million relative to the previous year. The increase was explained by one of the company's largest individual orders. Consolidated operating loss increased to EUR -5.1 million (-1.8), mainly due to challenges related to the large project. Due to the weakened financial result and capital committed to the pending project delivery, the company's equity ratio fell to 37.1 per cent (50.7). The Group's investments amounted to EUR 0.6 million (1.1).

The Covid-19 crisis made it difficult to award subcontracts related to a single large delivery and to determine the required level of quality due to travel restrictions. Therefore, project deliveries started later than planned.

Business environment

Competition in the industry is intense, and price competition is fierce. Most of the Mint's potential markets are outside Europe, and there is demand for both blanks and circulation coins in the emerging economies. However, the number of different means of payment continues to increase.

While there is overcapacity in the blanks market, peaks in demand still create bottlenecks and price fluctuations. The collapsed demand for commemorative coins is reflected in a strong variation in utilisation rates. Overcapacity leads to a reduction in the number of commemorative coin manufacturers and to a concentration of production.

Mint of Finland Ltd sets great store by corporate responsibility in its global business environment. The company has in place an ethical code of conduct and expects proper corporate responsibility performance of its partners.

Finnish Seed Potato Centre Ltd

The Finnish Seed Potato Centre Ltd is a Finnish seed potato producing enterprise whose field of activity comprises the cleaning and maintenance of seed material as well as the production, packaging and marketing of basic and certified potato varieties.

FINNISH SEED POTATO CENTRE LTD

State shareholding

22.0%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To promote plant health and to maintain security of supply by providing seed potato material that is healthy and suitable for Finnish conditions.

Board of Directors 9 November 2020

Kauko Matinlauri (Chair), Mika Antila, Kirsi Heinonen, Antti Lavonen, Ossi Paakki, Jyrki Siira

Chief Executive Officer

Paula Ilola

Key financial indicators	2020	2019
Net sales, EURm	3.0	3.4
Operating income, EURm	0.0	0.2
Operating margin, %	1.5	4.5
Total assets, EURm	3.3	3.2
Equity ratio, %	66.9	66.8
Gearing, %	31.8	34.9
Return on equity, %	1.3	6.4
Return on investment, %	1.6	5.2
Total dividends paid, EURm	0.0	0.0
Dividends received by the State, EURm	0.0	0.0
Investments, EURm	0.1	0.0
Personnel, total, at 31 Dec.	14	14
Personnel, Finland, at 31 Dec.	14	14
Gender composition of the management team w/m	3/4	3/4
Gender composition of the Board of Directors w/m	1/5	1/5
Total tax footprint		
Tax footprint in Finland		

Production and demand decreased

The main production area of the Seed Potato Centre covers the municipalities of Tyrnävä and Liminka. It is located in the High-Grade quality zone for seed potatoes recognised by the European Union. Additionally, the company engages select contract farms throughout Finland to grow the varieties.

During the reporting period, the company produced 30 potato varieties for the domestic market and had 11 varieties in greenhouse production for exports. In field cultivation, the demand was greatest for the Lady Claire, Jazzy and Rosamunda varieties.

Net sales by the Finnish Seed Potato Centre for the financial year 1 August 2019–31 July 2020 was lower than budgeted at EUR 3.0 million (-11 per cent). The fall in net sales was mainly attributed to a reduction in the quantity of seed potatoes fit for sale. This was partly due to the dry growing season, which increased the occurrence of potato scab. Covid-19 also affected demand for seed potatoes, as the decline in potato sales led to potato producers losing revenue and using more of their own extra potatoes for planting than usual. However, the Seed Potato Centre was able to adjust reasonably well to the decrease in net sales, with operating profit for the financial year at 1.5 per cent of net sales (4.5 per cent).

Business development projects also continued during the financial year, for example through the fully expanded aeroponics system which should shorten the time to market of new, promising potato varieties in Finland, reducing dependency on foreign registered seeds.

Through its sustainable business model, the Seed Potato Centre seeks to maintain emergency stocks of seed potatoes and promote plant health.

Suomen Viljava Oy

Suomen Viljava Oy is Finland's largest company specialising in the handling and storage of cereals and agribulk raw materials. It provides storage and handling services for companies in Finland and those operating in the export, import and transit business.

SUOMEN VILJAVA OY

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To ensure the functioning of the grain storage and handling market in a manner that ensures competitive neutrality and to secure trouble-free execution of tasks related to the security of the food supply chain and EU intervention operations

Board of Directors 15 March 2021

Petri Alava (Chair), Esko Pyykkönen (Vice Chair), Anne Ilola, Tanja Viljanen, Leena Laitinen

Chief Executive Officer

Pasi Lähdetie

Key financial indicators	2020	2019
Net sales, EURm	19.8	18.3
Operating income, EURm	5.1	4.2
Operating margin, %	25.8	23.0
Total assets, EURm	28.8	27.9
Equity ratio, %	69.8	72.0
Gearing, %	30.3	25.9
Return on equity, %	19.9	16.8
Return on investment, %	19.8	16.5
Total dividends paid, EURm	4.0	4.0
Dividends received by the State, EURm	4.0	4.0
Investments, EURm	3.7	3.2
Personnel, total, at 31 Dec.	60	60
Personnel, Finland, at 31 Dec.	60	60
Gender composition of the management team w/m	1/3	1/2
Gender composition of the Board of Directors w/m	3/2	2/3
Total tax footprint, EURm	5.3	5.7
Tax footprint in Finland, EURm	5.3	5.7

Solid growth

Suomen Viljava's core business consists of the provision of cereal storage and handling services for the needs of the import and export industry and the Finnish market. The company aims at profitable growth. In 2020, the company's net sales increased from EUR 18.3 million to EUR 19.8 million. Operating profit increased by EUR 843,000 from the previous year to EUR 5.1 million. Covid-19 did not have a significant impact on Suomen Viljava business operations. The company's storage and handling services operated without problems despite the pandemic.

The grain harvest in 2020 was weak, and this was reflected in the company's operations as a decrease in the handling and storage of domestic grain. However, the transit transport of Russian grain brought additional volumes, making up for the impact of the small harvest in Finland on Viljava's business.

Verified corporate responsibility

In the summer of 2020, Viljava's operations were audited against the objectives of the Government's resolution on ownership policy. Viljava's strategy includes clear objectives for environmental responsibility. Viljava is very close to reaching carbon neutrality, and in the coming years the focus in reducing the carbon footprint will shift to the environmental impact of the grain logistics chain. Viljava's goal is to be an industry forerunner in reducing carbon emissions. The company has taken measures in line with the objectives of the different scopes of the Green House Gas (GHG) protocol, which makes the company almost carbon neutral in its own operations and in terms of purchasing energy.

In the coming years, the focus will be on the next scope of the protocol, namely the reduction of indirect greenhouse gas emissions.

Tapio Ltd

Tapio offers solutions for the sustainable use of forests and natural resources. Tapio's business areas include consultation, commercialised expert services, the media, maps and books as well as forest-tree seeds.

TAPIO LTD

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To ensure the availability of high quality forest seed material suitable for Finnish conditions for forest management purposes with due regard to the need to ensure long-term security of supply.

Board of Directors 29 March 2021

Karri Koskela (Chair), Matias Knip, Harri Lauslahti, Pia Pasi, Leena Westerholm

Chief Executive Officer

Anne Ilola

Key financial indicators	2020	2019
Net sales, EURm	13.0	12.4
Operating income, EURm	1.3	0.7
Operating margin, %	10.0%	5.6%
Total assets, EURm	16.5	15.7
Equity ratio, %	65.3%	67.1%
Gearing, %	-50.0%	-46.9%
Return on equity, %	10.3%	6.4%
Return on investment, %	12.3%	6.8%
Total dividends (proposal), EURm	1.8	0.8
Dividends received by the State, EURm	1.8	0.8
Investments, EURm	0.4	0.6
Personnel, total, at 31 Dec.	84	72
Personnel, Finland, at 31 Dec.	84	72
Gender composition of the management team w/m	3/4	3/4
Gender composition of the Board of Directors w/m	2/3	2/3
Total tax footprint	2.4	2.1
Tax footprint in Finland	2.4	2.1

Investments in business development progressed and brought results

Tapio's corporate strategy was updated and launched during the year. Service provision was improved, especially in the climate, diversity, and mires and waters expertise areas. The digitalisation of forest management recommendations and the Metsälehti magazine was implemented. In addition to these, a new Etapio product family was launched to support forest owners' decision-making. Tapio's many processes and operating methods also developed, including the ERP and online shopping upgrades launched during the year and the upgrade of the seed business operating system. The negative effects of Covid-19 on Tapio were limited, and net sales were up 4.8 per cent on the previous year. Of the business areas, Seeds, Consultancy and Maps and Books grew most strongly, all three showing growth of around 10 per cent. All of Tapio's business areas achieved a positive operating result. The area that by far improved the most relative to others was the Maps and Books business area, which benefited from the increased interest in spending time in nature as a result of the Covid-19 pandemic. The Maps and Books business area posted a clear profit compared to the previous year's loss. The consolidated operating profit for 2020 increased to EUR 1.3 million, which is the best result of Tapio Group in its current form.

Importance of sustainability continues to increase

Climate change and diversity issues became even more important during the reporting period. Having updated its corporate responsibility targets during the previous year, 2020 was the first year when the company reported the net sales of its environmental sustainability business. With net sales of approximately EUR 2.7 million in the environmental sustainability business, Tapio reached its target for 2020 (EUR 2.6 million).

Vapo Oy

Vapo Oy is a leading bioenergy operator in Finland, Sweden and Estonia. The Group also includes Kekkilä-BVB, a European market leader in growth substrates, while Ventures develops business operations based on products of higher added value.

VAPO OY

State shareholding

50.1%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

To ensure the availability of domestic fuels for energy production under all circumstances with due regard to the maintenance of emergency stocks of critical supplies.

Board of Directors 30 March 2021

Jan Lång (Chair), Markus Tykkyläinen (Vice Chair), Tuomas Hyyryläinen, Kirsi Puntila, Minna Smedsten, Maija Strandberg, Stefan Damlin, Vesa Hätilä

Chief Executive Officer

Vesa Tempakka

Key financial indicators	2020	2019*
Net sales, EURm	544.9	297.7
Operating income, EURm	-95.3	-40.4
Operating margin, %	-17.5	-13.6
Total assets, EURm	758.5	828.5
Equity ratio, %	27.9	42.9
Gearing, %	152.6	90.4
Return on equity, %	-45.7	-5.1
Return on investment, %	-15.7	-1.7
Total dividends paid, EURm	0	4.0
Dividends received by the State, EURm	0	2.0
Investments, EURm	68.9	42.8
Personnel, total, at 31 Dec.	1,031	996
Personnel, Finland, at 31 Dec.	529	521
Gender composition of the management team w/m	2/9	2/10
Gender composition of the Board of Directors w/m	3/5	3/5
Total tax footprint, EURm	43.9	13.4
Tax footprint in Finland, EURm	25.1	1.4

*exceptional financial year 1 May–31 Dec 2019

Major changes affecting the business environment

Vapo's net sales in 2020 were EUR 544.9 million. In autumn 2020, the company wrote down approximately EUR 100 million of its energy peat reserves. The measure significantly weakened the company's financial position. The operating result showed a loss of EUR -95.3 million and the company posted a loss of EUR -108.1 million for the financial year. Gearing was 152.3 per cent (90.4) and the equity ratio fell to 27.9 per cent. The measures to improve working capital were clearly reflected in improved operating cash flow of EUR 39.6 (17.1) million.

The use of peat to generate energy is rapidly declining. Between 2019 and 2025, Vapo is anticipating a decrease of 70 per cent in demand for peat. This has forced the company to look at its business strategy. In order to meet the balance sheet and business challenges posed by the shift in demand and to continue its chosen growth strategy in the international growth substrate market and in new business, Vapo divested its heat and electricity subsidiary Nevel. for approximately EUR 656 million. The transaction was completed after the end of the financial year in January 2021.

Covid-19 increased the demand for Kekkilä-BVB's horticultural products. Grow&Care's revenue grew by nearly 20 per cent on the previous year. However, the pandemic delayed the construction of the active carbon plant to be built in Ilomantsi.

Corporate responsibility

In 2019, Vapo set a target to reduce the Group's carbon dioxide emissions by half by 2025. Emissions in Finland decreased by 18 per cent compared to 2018. New businesses will be developed in accordance with the principles of circular economy to clean up air and water and to promote the production of clean food.

VR Group plc

VR is a company offering travel, logistics and maintenance services. The company operates mainly in Finland and Russia.

VR GROUP PLC

State shareholding

100%

Ownership steering

Prime Minister's Office

Strategic interest of ownership

Ensuring the future of rail transport

Board of Directors 9 April 2021

Kjell Forsén (Chair), Heikki Allonen, Nermin Haireidin, Pekka Hurtola, Virve Laitinen, Roberto Lencioni and Sari Pohjonen

Chief Executive Officer

Rolf Jansson

Key financial indicators

	2020	2019
Net sales, EURm	791.9	981.7
Net sales*, EURm	-24.6	137.3
Operating margin, %	-3.1	14.0
Total assets, EURm	2010	2,209
Equity ratio, %	63.7	66.0
Gearing, %	6.9	1.2
Return on equity, %	-2.4	20.1
Return on investment, %	-1.1	8.5
Total dividends paid, EURm	0	100
Dividends received by the State, EURm	0	100*
Investments, EURm	164	273
Personnel, total, at 31 Dec.	5,818	6,062
Personnel, Finland, at 31 Dec.	5,697	5,937
Gender composition of the management team w/m	2/7	2/8
Gender composition of the Board of Directors w/m	3/4	3/4
Total tax footprint	7	111
Tax footprint in Finland	7	111

*) to be paid in 2021

Travel volumes plummeted due to Covid-19

The Covid-19 pandemic had an exceptionally large impact on VR's business. After prolonged growth, travel volumes plummeted by up to 90 per cent in the spring. Some recovery was

seen in the summer, but towards the end of the year the worsening of the Covid-19 situation, restrictive measures and continued remote working pushed passenger numbers down to less than half of those in the previous year. The pandemic had a smaller than expected impact on freight transport. Passenger transport net sales decreased by 31 per cent. Overall, consolidated net sales fell by 19.3 per cent. In passenger transport, the decline in net sales resulted in a loss of EUR -70 (+82) million, which was offset at the Group level by the good performance of logistics. The consolidated comparable operating profit fell to EUR -26.1 (105.2) million. Despite the pandemic's significant impact on the business, VR's balance sheet and financial position remained stable. This was supported by a decision to pay only EUR 100 million in dividends out of dividends and capital repayments totalling EUR 350 million in the spring. In spring 2020, VR won Helsinki Region Transport's (HSL) tender for commuter transport and maintenance. In December, VR signed a new agreement on purchased transport with the Ministry of Transport and Communications for 2021.

Covid-19 highlighted VR's social significance

VR developed its services and significantly invested in ensuring the health safety of both personnel and passengers. VR also maintained transport services, despite at times demand falling to very low levels during the year, and a high volume of rolling stock relative to the number of journeys made. Safety, customer satisfaction and punctuality developed positively throughout all business areas. VR announced its new environmental targets for 2025, emphasising reductions in carbon emissions, energy and material efficiency and environmental safety. VR actively seeks to increase the share of rail traffic as an environmentally friendly mode of transport, continuing the positive development seen in recent years.

1.10 Special assignment companies

A-Kruunu Oy

A-Kruunu Oy is a not-for-profit developer of rental housing. Its construction management operations commenced in 2014. At the end of 2020, the company owned 1,455 affordable housing units with an additional 1,155 units under construction.

A-KRUUNU OY

State shareholding

100%

Ownership steering

Ministry of the Environment

Special assignment

To construct affordable housing in major population centres

Board of Directors 27 March 2020

Matti Vatiö (Chair), Eero Saastamoinen (Vice Chair), Sinikka Mustakari, Teppo Salmikivi, Jaana Parviainen and Malviina Ruokonen

Chief Executive Officer

Jari Mäkimattila

Key financial indicators	2020	2019
Net sales, EURm	10.5	7.5
Operating income, EURm	4.5	2.3
Operating margin, %	42.7	30.7
Total assets, EURm	356.8	273.4
Equity ratio, %	15.4	20.1
Gearing, %	455.9	291.3
Return on equity, %	0.0	0.0
Return on investment, %	1.5	1.1
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	92.4	74.1
Personnel, total, at 31 Dec.	22	18
Personnel, Finland, at 31 Dec.	22	18
Gender composition of the management team w/m	2/3	2/3
Gender composition of the Board of Directors w/m	3/3	2/4
Total tax footprint	9.3	10.6
Tax footprint in Finland	9.3	10.6

Construction increased

A-Kruunu's special assignment is to build rental housing at a reasonable cost and rent level with long-term interest subsidies from the State. In 2020, the company's construction management operations increased significantly compared with the previous year. During the reporting period, the company launched the construction of 659 (471 in 2019) new housing units with 358 (304) units completed over the same period. Between 2018 and 2020, A-Kruunu's share of building starts was 13.9 per cent of normal state-subsidised rental units. Demand for the sites has been high and the economic utilisation rate of dwellings was 99.8 per cent. Resident turnover was 16.8 per cent (15.3 per cent in 2019) and in the resident satisfaction survey the respondents gave the company a score of 3.74 out of 5 (3.71 out of 5).

Extending the operations to other population centres

In 2019, it was decided to expand A-Kruunu's operations beyond the Helsinki region to other major urban areas. Last year, the first site was completed outside the Helsinki region in Tampere, and construction was also started in Jyväskylä and Kuopio. A-Kruunu has negotiated with various parties on a campaign to build wooden apartment blocks with the aim of increasing its share of wooden apartment buildings in construction.

The company is actively involved in housing development. During the year, it carried out a project combining infill construction and parking, a wood construction research project and the group rental development project.

Due to the Covid-19 pandemic, several safety practices were introduced in construction and real estate administration.

Alko Inc.

Alko's mission is to manage the exclusive retail sale of alcoholic beverages specified as its monopoly in the Alcohol Act. At the end of 2020, Alko operated 364 (361) retail outlets, an online store and mobile application. Additionally, there are 126 (100) pick-up points to complement the network of shops.

ALKO INC

State shareholding

100%

Ownership steering

Ministry of Social Affairs and Health

Special assignment

Special assignment provided in section 23 of the Alcohol Act (1102/2017): mitigation of the ill-effects of alcohol

Board of Directors 31 December 2020

Harri Sailas (Chair), Markku Tervahauta, Kuisma Niemelä, Kirsi Paakkari, Pekka Perttula, Ulrika Romantschuk

Chief Executive Officer

Leena Laitinen

Key financial indicators	2020	2019
Net sales, EURm	1,296.8	11,44.0
Operating income, EURm	64.8	40.1
Operating margin, %	5.0	3.5
Total assets, EURm	310.0	262.0
Equity ratio, %	36.7	35.5
Gearing, %	-147.0	-120.4
Return on equity, %	49.2	34.6
Return on investment, %	62.9	44.0
Total dividends (proposal), EURm	60.0	30.0
Dividends received by the State, EURm	60.0	30.0
Investments, EURm	6.1	7.6
Personnel, total, at 31 Dec.	2,777	2,581
Personnel, Finland, at 31 Dec.	2,777	2,581
Gender composition of the management team w/m	4/2	3/3
Gender composition of the Board of Directors w/m	2/4	2/4
Total tax footprint, EURm	1,054.6	911.8
Tax footprint in Finland, EURm	1,054.6	911.8

Responsible alcohol sales

The footfall in Alko's shops reached 57.2 (54.3) million. The number of online orders almost

doubled. By the end of the year, the online store had more than 150,000 registered customers and the mobile app had 100,000 users. A total of 5.4 million customers presented proof of age when requested at the outlets. Additionally, the company carried out 0.5 million checks on suspicion of intoxication in connection with purchases and 0.3 million checks on suspicion of procurement for others. The score in the mystery shopping test measuring the success of age checks by outlets was the best ever at 97.9 per cent. This was the 12th time in succession that customers rated Alko the best shop in Finland in the national customer service (KAP) surveys. Customer satisfaction with Alko's selection is also at an all-time high, with a score of 8.56. A total of 60 per cent of Finns consider Alko's retail monopoly as a positive way of containing the detrimental effects of alcohol (Kantar TNS Oy and the Finnish Institution for Health and Welfare 2021). In 2020, the key CR measures included the assurance of responsible alcohol sales; promotion of the well-being of children and young people; development of a more environmentally sustainable beverage selection; and ensuring a responsible supply chain.

Aside from responsible alcohol sales, Alko provides information on the adverse effects of alcohol and engages in cooperation with social and health organisations and research institutes. During the Covid-19 pandemic, Alko ensured a health secure environment for its employees and customers and the efficiency and continuity of operations. Alko contributed to the Declaration of Family Peace campaign by the A-Clinic Foundation and the City of Helsinki, which called attention to the dangers of domestic violence during the Covid-19 pandemic. Alko interacts actively with its stakeholders and develops its operations based on their feedback. In 2020, Alko launched the Alkotoive service where customers can make requests for products in the store of their choice from Alko's range or beyond.

Cinia Oy

Cinia Oy is a diversified IT company providing telecommunications network and software services and cybersecurity solutions. Cinia delivers a wide range of expert and communications services as well as development services for telecom-intensive systems and software.

CINIA OY

State shareholding

77.5%

Ownership steering

Ministry of Transport and Communications

Special assignment

Promoting socially significant high-capacity telecommunications

Board of Directors 31 December 2020

Esko Aho (Chair), Janne Yli-Äyhö (Vice Chair), Annika Ekman, Anni Vepsäläinen and Vesa Aho

Chief Executive Officer

Ari-Jussi Knaapila

Key financial indicators	2020	2019
Net sales, EURm	59.7	50.1
Operating income, EURm	6.7	3.4
Operating margin, %	11.2	6.8
Total assets, EURm	120.6	113.4
Equity ratio, %	40.5	38.7
Gearing, %	64.2	62.5
Return on equity, %	9.9	4.4
Return on investment, %	8.1	4.4
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	11.6	7.4
Personnel, total, at 31 Dec.	315	283
Personnel, Finland, at 31 Dec.	315	283
Gender composition of the management team w/m	2/12	2/5
Gender composition of the Board of Directors w/m	2/5	2/5
Total tax footprint, EURm	16.9	15.7
Tax footprint in Finland, EURm	16.9	15.7

Key events in the financial year

Cinia invested in growing its business in international connectivity services. The C-Lion1 marine cable system Hanko branching was deployed from the beginning of 2020. Cinia also introduced a new transfer network connection between Finland and Sweden, further strengthening Cinia's network connectivity services in northern Europe. Demand for connectivity between Europe and Russia and between Europe and Asia remained strong during the financial year.

Cinia decided to strengthen its position in the cybersecurity market by acquiring OptimeSys Group Oy's share capital on 24 November 2020. Demand for Cinia's software solutions continued at a good level and organic growth in net sales stood at 22 per cent. On 1 February 2020, Cinia Oy acquired the share capital of NDC Networks Oy. NDC Networks Oy delivers and develops wireless data transfer services and Internet of Things (IoT) solutions for demanding environments.

In 2019, Adola Oy, founded by Cinia and the DIF fund management company, launched its operations on the Finnish fibre optic network market.

Arctic Link Development Oy, a project company to prepare for the construction of the Arctic Connect undersea cable was established with the Russian company MegaFon. Cinia's ownership of this project company is realised through Cinia Alliance Oy. At Cinia Alliance Oy, the partners are Norwegian, Japanese and Finnish companies and entities.

Corporate responsibility

Cinia's objective is to incorporate corporate responsibility into daily business operations in the context of management, development and client solutions.

CSC – IT Center for Science Ltd

CSC develops and provides world-class ICT services for research, education, culture and public administration and businesses so that they can thrive and benefit society at large.

CSC – IT CENTER FOR SCIENCE LTD

State shareholding

70%

Ownership steering

Ministry of Education and Culture

Special assignment

To maintain and develop a centralised IT infrastructure for the provision of nationwide IT services

Board of Directors 27 April 2020

Mirjami Laitinen (Chair), Tua Huomo, Heikki Mannila, Jukka Mönkkönen, Jouko Paaso (Vice Chair), Veera Sylvius, Leena Viljo

Chief Executive Officer

Kimmo Koski

Key financial indicators	2020	2019
Net sales, EURm	54.7	51.0
Operating income, EURm	2.5	1.5
Operating margin, %	4.6	2.9
Total assets, EURm	41.8	37.2
Equity ratio, %	38.9	36.2
Gearing, %	-181.0	-315.6
Return on equity, %	27.0	20.6
Return on investment, %	35.1	25.8
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	11.3	1.5
Personnel, total, at 31 Dec.	454	413
Personnel, Finland, at 31 Dec.	454	413
Gender composition of the management team w/m	3/9	5/8
Gender composition of the Board of Directors w/m	4/3	3/4
Total tax footprint, EURm	15.7	18.5
Tax footprint in Finland, EURm	15.7	18.5

Supporting customers in exceptional circumstances

Due to the Covid-19 pandemic, CSC expanded the Funet Miitti (Zoom) service more than 200

times to support distance learning and other activities in higher education institutions. The CSC also supported the organisation of student admissions processes in higher education institutions in exceptional circumstances.

The euroHPC LUMI consortium procurement project led by CSC succeeded beyond expectations. A solution that is 2.5 times more efficient than the preliminary estimate will be made available to cutting-edge research. Supercomputer Mahti was deployed in the national DL2021 data management and computing project. In the Academy of Finland's evaluation of national research infrastructures (FIRI), CSC's research infrastructure based on data management, computing and network services was assessed as being of a very high standard.

CSC continued the development of the European Open Science Cloud (EOSC) with international and national partners. CSC strengthened its customers' data management capabilities, developed long-term access services for research and cultural heritage data, and launched the tiedejatutkimus.fi portal.

CSC supported the digital transformation of higher education institutions by developing a cross-learning service and the introduction of modern education administration systems. CSC was selected as the project office for the universities' Digivisio 2030 project and the founding process was launched. The lifecycle update of Funet, a network for higher education and research, progressed to Northern Finland.

CSC provided emerging data pool and data analytics services to all levels of education under the Ministry of Education and to the fields of research, culture, youth and sports policy. CSC's services also expanded in other sectors of central government.

DigiFinland Oy

DigiFinland promotes national digital services, interoperability and knowledge-oriented management that improve productivity and effectiveness in Finland's public sector.

DIGIFINLAND OY

State shareholding

100%

Ownership steering

Ministry of Finance

Special assignment (summary)

To develop and support national digital services in healthcare and social welfare, rescue services and other sectors as well as ICT interoperability and knowledge-oriented management.

Board of Directors 1 January 2021

Timo Lepistö (Chair), Markus Sovala (Vice Chair), Harri Eskola, Minna-Marja Jokinen, Taru Kuosmanen, Kari Suominen, Liisa-Maria Voipio-Pulkki

Chief Executive Officer

Mirva Antila from 10 August 2020 (formerly Harri Hyvönen)

Key financial indicators	2020	2019
Net sales, EURm	2.5	0
Operating income, EURm	-9.5	-8.2
Operating margin, %	-	-
Total assets, EURm	72.9	81.7
Equity ratio, %	97.5	98.5
Gearing, %	-21	-101
Return on equity, %	-12.4	-9.4
Return on investment, %	-12.4	-9.4
Total dividends paid, EURm	-	-
Dividends received by the State, EURm	-	-
Investments, EURm	-	-
Personnel, total, at 31 Dec.	61	23
Personnel, Finland, at 31 Dec.	61	23
Gender composition of the management team w/m	6/2	5/1
Gender composition of the Board of Directors w/m	3/4	3/2
Total tax footprint	0.968	0.160
Tax footprint in Finland	0.968	0.160

Overview of events in 2020

SoteDigi Oy and Vimana Oy were merged into a nationwide company through an asset deal on 1 February 2020. In accordance with the decision of the Ministerial Committee on Economic Policy on 12 June 2020, the company and its functions remained cross-sectoral and the name of the company was changed to DigiFinland Oy to reflect the company's mission in a more neutral manner. The new CEO took up her position on 10 August 2020. DigiFinland created a forward-looking strategy with key priorities, a business plan and an organisation.

DigiFinland developed the Omaolo and general medical helpline 116117 services and started planning the Electronic Family Centre project. On 31 December 2020, the Omaolo service was used in 159 local authorities with a population base of 3.75 million. Omaolo's development was marked by the Covid-19 pandemic. DigiFinland contributed to the development of the national Covid-19 tracing application Koronavilkku. The general medical helpline 116117 expanded to cover 4.3 million inhabitants by 31 December 2020. In addition, the company participated in the development of health and social services knowledge-oriented management, rescue services' information management and national information management, and in the AuroraAI artificial intelligence programme.

Outlook

DigiFinland aims to create national solutions together with user organisations. The solutions seek ease of use, cost savings and improvements in the quality of services.

There is a need for national services and DigiFinland plays a natural role in them. Focusing on cost-efficiency, effectiveness and creating a future business model gives the company a good chance of succeeding in its mission.

FinnHEMS Oy

FinnHEMS provides emergency medical aviation services to university hospital districts. FinnHEMS is also responsible for the standby bases and rapid response vehicles that are part of the medical helicopter operations.

FINNHEMS OY

State shareholding

100%

Ownership steering

Ministry of Social Affairs and Health

Special assignment

To provide national medical helicopter operations

Board of Directors 9 April 2020

Harri Sailas (Chair), Riku Aho, Ulla Hagman, Janne Simula

Chief Executive Officer

Jari Huhtinen

Key financial indicators	2020	2019
Net sales, EURm	30.0	30.0
Operating income, EURm	-1.1	-0.9
Operating margin, %	-3.5	-3.0
Total assets, EURm	30.5	13.6
Equity ratio, %	78	53
Gearing, %	-66	-43
Return on equity, %	4.9	-11.7
Return on investment, %	4.9	-9.6
Total dividends paid, EURm	0.0	0.0
Dividends received by the State, EURm	0.0	0.0
Investments, EURm	6.6	1.6
Personnel, total, at 31 Dec.	54	20
Personnel, Finland, at 31 Dec.	54	20
Gender composition of the management team w/m	3/5	2/6
Gender composition of the Board of Directors w/m	1/3	1/4
Total tax footprint		
Tax footprint in Finland		

Number of calls fell due to Covid-19

FinnHEMS plays a key role in the treatment chain of high-risk prehospital care patients in

Finland. Medical helicopter operations have continued uninterrupted despite the exceptional circumstances.

In 2020, FinnHEMS units were called to 13,874 prehospital care assignments (15,770 in 2019) and encountered 3,714 (3,975 in 2019) patients. Overall, the number of calls decreased by 12.0 per cent and the number of flight hours decreased by 4.8 per cent from the previous year. The decrease in the number of flight hours was due to a corresponding decrease in calls.

The company's funding comes in the form of discretionary government grants from the Ministry of Social Affairs and Health. FinnHEMS does not seek profit through its operations.

Flight operations started in 2020

FinnHEMS was transferred from university hospital districts to state ownership by means of a contract signed on 11 March 2020 in accordance with the policy of the Government's Ministerial Committee on Economic Policy. A new Board of Directors was appointed on 9 April 2020 and started implementing the ownership policy decision on beginning flight operations. This means that the company will acquire its own helicopters and flight crew. In autumn 2020, FinnHEMS acquired one of the two helicopter operators which had been providing it with air services, Skärgårdshavets Helikoptertjänst Ab.

FinnHEMS is preparing to expand its own production to cover all Finnish bases at the end of the current subcontracting agreements in early 2022.

Medical helicopter operations are expanding to two new bases. The company started preparations to establish the Seinäjoki base at the end of 2020.

Finnpilot Pilotage Ltd

Finnpilot Pilotage provides piloting services in all shipping lanes requiring pilotage in Finnish territorial waters and on Lake Saimaa so as to promote safety at sea and prevent environmental damage.

FINNPILOT PILOTAGE LTD

State shareholding

100%

Ownership steering

Prime Minister's Office

Special assignment

To provide pilotage services and assume responsibility for other related functions and duties specified in the Finnish Pilotage Act, operating in the water areas defined in the said act.

Board of Directors 25 March 2021

Seija Turunen (Chair), Markus Katara, Tuula-Riitta Markkanen, Petri Peltonen, Hilppa Rautpalo

Chief Executive Officer

Kari Kosonen

Key financial indicators	2020	2019
Net sales, EURm	35.8	40.9
Operating income, EURm	-0.6	2.6
Operating margin, %	-1.8	6.5
Total assets, EURm	23.7	25.3
Equity ratio, %	63.0	63.4
Gearing, %	-23.4	-25.6
Return on equity, %	-2.7	12.7
Return on investment, %	-4.1	15.8
Total dividends paid, EURm		0.5
Dividends received by the State, EURm		0.5
Investments, EURm	2.4	2.5
Personnel, total, at 31 Dec.	333	336
Personnel, Finland, at 31 Dec.	333	336
Gender composition of the management team w/m	2/3	2/3
Gender composition of the Board of Directors w/m	3/5	3/5
Total tax footprint	12.7	13.5
Tax footprint in Finland	12.7	13.5

Maritime transport affected by the pandemic

The volume and miles of Finnpiilot's pilotage decreased on the previous year. The number of piloting callouts decreased by 14.0 per cent and the number of miles under pilotage by 8.7 per cent. Coastal pilotage volumes decreased by 18.2 per cent. Saimaa's pilotage volumes returned to the level of 2017–2018, up by 24.9 per cent on the previous year.

Finnpiilot's net sales were EUR 35.8 million, which is 12.4 per cent lower than in the previous year. The company's operating result was EUR -0.6 million. The decrease in operating margin is attributed to a significant decline in pilotage revenues.

At the beginning of 2020, pilotage fees were increased by an average of 2.5 per cent. The increase was made to the callout fee for pilotage. In other respects, the pricing structure remained unchanged. The company's service level remained excellent. Services were provided 99.9 (99.9) per cent on time.

Responsible piloting

Finnpiilot helps vessels move safely in maritime transport. During the Covid-19 pandemic, the company took numerous measures aimed at ensuring business continuity and the safety of employees. In March 2020, the Government decided that the pilots are included in the personnel working in a critical sector of society. Finnpiilot's vessel safety development continued. Two self-righting fast new pilot vessels were deployed.

The main environmental impacts of pilotage operations arise from the fuel consumed during piloting and from the heating of vessels and properties. The company has decided to increase the use of renewable fuel on its vessels.

Finnvera plc

Finnvera is a state-owned specialised financing company and the official Export Credit Agency of Finland. Finnvera seeks to create favourable conditions for Finnish companies and improve their competitiveness by offering loans, guarantees and export credits.

FINNVERA PLC

State shareholding

100%

Ownership steering

Ministry of Economic Affairs and Employment

Special assignment

Finnvera is a state-owned specialised financing company and the official Export Credit Agency (ECA) of Finland.

Board of Directors 31 December 2020

Pentti Hakkarainen (Chair), Antti Neimala (1st Vice Chair), Terhi Järvikare (2nd Vice Chair), Ritva Laukkanen, Pekka Nuutila, Pirkko Rantanen-Kervinen, Antti Zitting

Chief Executive Officer

Pauli Heikkilä

Key financial indicators	2020	2019
Net sales, EURm	599.6	317.6
Operating income, EURm	-739.6	100.2
Operating margin, %	-123.3%	31.5%
Total assets, EURm	12,673	12,665
Equity ratio, %	5.7%	12.3%
Gearing, %	869.4%	435.7%
Return on equity, %	-101.7%	6.7%
Return on investment, %	-6.19%	0.9%
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	0.0	0.0
Personnel, total, at 31 Dec.	322	322
Personnel, Finland, at 31 Dec.	322	322
Gender composition of the management team w/m	4/5	4/5
Gender composition of the Board of Directors w/m	3/4	3/4
Total tax footprint, Finnvera Group	15.5	10.6

Finnvera's financial result was clearly negative

At the end of 2020, Finnvera Plc had approximately 26,500 customers and its liabilities in SME

and midcap financing amounted to EUR 2.9 billion (2.3). Export credits and special guarantees on behalf of large cap companies inclusive of liabilities and bidding commitments were EUR 22.0 billion (25.2). In 2020, as part of its efforts to assist SMEs and midcap companies, Finnvera provided financing to almost 2,700 start-up enterprises and more than 2,350 growth enterprises, contributing to the creation of more than 8,700 new jobs. Finnvera's corporate responsibility action focuses on four themes: Finnvera's role in society; impact of its own operations; responsible financing; and stakeholder relations. The biggest liabilities in the large cap business were related to the shipbuilding, shipyard, telecom and forestry sectors. Finnvera is expected to be self-financing. The consolidated financial result for 2020 was EUR -748 (94) million, mainly caused by the credit loss reserves in the export guarantee liabilities due to the situation caused by the Covid-19 pandemic. The Group's cost to income ratio in 2020 was 26.4 (25.4) per cent. Finnvera is exempted from business income tax. In 2020, Finnvera achieved its objectives set by the Ministry of Economic Affairs and Employment due to the Covid-19 pandemic. Of the nine original industry and ownership policy objectives, two were achieved, five were partially achieved and two were not achieved.

Finnvera's solvency ratio in domestic operations must be 15 per cent at a minimum. At the end of 2020, the solvency ratio was 25.1 (29.4) per cent. No solvency ratio target applies to export financing, as the operations have not been separately capitalised and by law the export guarantee operations must be self-supporting in the long term. However, if the assets of the export and specific guarantee funds and the State Guarantee Fund are taken into account in the determination of solvency, the estimated Tier 1 solvency of export financing would be less 1.3 per cent (6.9). The Ministry monitors the development of the liability and risk position and the buffer funds.

Governia Oy

Governia Oy is a wholly state-owned special assignment company whose balance sheet is deployed to develop state-owned companies and restructure ownership outside stock exchanges. The company is also tasked to develop the companies in its ownership.

GOVERNIA OY

State shareholding

100%

Ownership steering

Prime Minister's Office

Special assignment

To serve as a state investment company that can be used for special ownership restructuring purposes.

Board of Directors 30 March 2021

Ilpo Nuutinen (Chair), Niclas Köhler, Riitta Laitasalo, Pauliina Pekonen

Chief Executive Officer

Maaret Heiskari

Key financial indicators	2020	2019
Net sales, EURm	27.1	18.5
Operating income, EURm	6.2	1.4
Operating margin, %	22.9	7.6
Total assets, EURm	247	223
Equity ratio, %	60.3	64.3
Gearing, %	31.0	20.1
Return on equity, %	3.9	1.5
Return on investment, %	3.1	1.4
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	31.8	29.7
Personnel, total, at 31 Dec.	25	25
Personnel, Finland, at 31 Dec.	25	25
Gender composition of the management team w/m	n/a	n/a
Gender composition of the Board of Directors w/m	2/2	2/2
Total tax footprint	3.7	4.9
Tax footprint in Finland	3.6	4.7

Focus on real estate

At the end of the financial year, Governia owned Kruunuasunnot Oy, Pietarin Suomi-Talo Oy, GoK Oy and Rantasarfviik Oy. During the financial year, Governia bought the rest of the stock in Rantasarfviik Oy in which it previously had a 50 per cent holding. Kruunuasunnot Oy, the Group's wholly owned subsidiary, builds and leases non-subsidised homes and provides property management services. During the financial year, Kruunuasunnot continued to develop its housing stock in line with its renewed strategy by launching new housing projects and developing the plots and properties in its ownership.

During the financial year, three new newbuilds were completed for Kruunuasunnot. A total of 158 new apartments were completed on these sites in Turku, Tampere and Säkylä. In addition, new projects were launched in 2020 in three locations, where 114 new units will be completed in 2021 and 67 in 2022. The Covid-19 pandemic has not had a significant impact on the company's business operations. GoK Oy, another wholly owned subsidiary of the Group, engages in real estate development activities. In 2020, the company sold the last plot in the Kuninkaantammenkallio planning area in Helsinki. For the time being, the company has no operations or employees. Rantasarfviik Oy sold or signed a pre-contract for the years 2021–2024 to sell almost all the zoned plots in the village of Sarfviik in Kirkkonummi. The company's operations focus on promoting land use planning projects in the area. Pietarin Suomi-Talo (Finland House) in St Petersburg is being developed into a self-financing service and customer centre. The House has been renovated by refurbishing the premises into a modern business and event centre that can be hired. All renovations and modifications to the premises have been completed. Covid-19 has affected the Suomi-Talo service concept.

Hansel Ltd

Hansel is a non-profit joint procurement unit for the public administration that is owned by the Finnish State (65 per cent) and the Association of Finnish Local and Regional Authorities (35 per cent).

HANSEL LTD

State shareholding

65%

Ownership steering

Ministry of Finance

Special assignment

A joint procurement unit whose mission is to improve productivity in public administration and lead the way in efficient and responsible public purchasing.

Board of Directors 1 January 2021

Anna-Maija Karjalainen (Chair), Timo Reina, Antti Koivula, Antti Laakso and Johanna Luukkonen

Chief Executive Officer

Anssi Pihkala

Key financial indicators	2020	2019
Net sales, EURm	11.5	11.1
Operating income, EURm	-1.8	-0.8
Operating margin, %	-15.7	-7.5
Total assets, EURm	13.0	14.7
Equity ratio, %	62.3	68.1
Gearing, %	-111	-116
Return on equity, %	-19	-6.1
Return on investment, %	-19	-6.1
Total dividends paid, EURm	-	-
Dividends received by the State, EURm	-	-
Investments, EURm	-	-0.03
Personnel, total, at 31 Dec.	118	116
Personnel, Finland, at 31 Dec.	118	116
Gender composition of the management team w/m	5/2	5/2
Gender composition of the Board of Directors w/m	2/3	2/3
Total tax footprint	4.3	4.1
Tax footprint in Finland	4.3	4.1

Overview of events in 2020

The year 2020 was the first full year that Hansel offered its services to the entire Finnish

public sector. In an ownership and acquisition transaction carried out in September 2019, the State sold 35 per cent of Hansel's shares to the Association of Finnish Local and Regional Authorities. The implementation of the integration strategy proceeded as planned, although the Covid-19 pandemic impaired the development of some joint procurement contracts. The task and role of the joint procurement unit are defined in public procurement legislation and the Hansel Act. Hansel finances its operations through a joint procurement service fee from the suppliers and the sale of expert services. In 2020, the average service fee was 0.95 per cent (0.96 per cent in 2019). Hansel's joint procurement contracts resulted in acquisitions for a total of EUR 916 million in 2020 (EUR 900 million in 2019). Due to Covid-19, the planned growth of EUR 100 million remained at EUR 16 million, or two per cent. Sales of tendering services in 2020 were EUR 2.0 million (EUR 1.7 million in 2019) and sales of procurement development services were EUR 417,000 (345,000 in 2019).

Integration strategy 2019–2023

In accordance with the integration strategy, Hansel's vision is to combine public procurement power in Finland. The cornerstones of the strategy are to provide customers with an excellent digital service experience and a wide range of services, and to act as a forerunner in responsible and effective procurement. In accordance with the strategy, Hansel aims at exemplary operation, a strong value base and an inclusive culture that is believed to make Hansel the most respected expert in public procurement and, as a result, a desired place to work. With regard to the corporate transaction, Hansel's operations will be loss-making until 2022, after which its financial result is expected to become profitable.

HAUS Finnish Institute of Public Management Ltd

The effectiveness of HAUS's education and development measured by net sales increased to EUR 8.5 million, of which good governance exports in the international operations accounted for EUR 2.4 million.

HAUS FINNISH INSTITUTE OF PUBLIC MANAGEMENT LTD

State shareholding

100%

Ownership steering

Ministry of Finance

Special assignment

Provision of training and development services for the renewal of administrative management and expertise

Board of Directors 1 January 2021

Timo Laitinen (Chair), Ilona Lundström (Vice Chair), Susanna Niinistö-Sivuranta, Laura Ylä-Sulkava, Tom Lindholm

Chief Executive Officer

Kyösti Väkeväinen

Key financial indicators	2020	2019
Net sales, EURm	8.5	8.0
Operating income, EURm	1.0	-0.1
Operating margin, %	11.8	-1.3
Total assets, EURm	4.6	3.7
Equity ratio, %	48.5	34.6
Gearing, %	-212.5	-333
Return on equity, %	88.8	-14.4
Return on investment, %	74.3	-10.9
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	0	0
Personnel, total, at 31 Dec.	40	36
Personnel, Finland, at 31 Dec.	35	31
Gender composition of the management team w/m	3/2	4/2
Gender composition of the Board of Directors w/m	3/2	3/2
Total tax footprint, EURm	1.8	1.8
Tax footprint in Finland, EURm	1.8	1.8

Overview of events in 2020

The Covid-19 pandemic resulted in a major change on the previous years. According the Tutkihankintoja.fi database, central government

education purchases dropped by 25 percent. Courses were run successfully online. HAUS served 210 organisations, and its digital learning environment reached 49,000 users. The training sessions attracted 7,700 participants. Projects were run in 14 countries with 800 days of development sessions. International operations were hampered by travel bans and unrest in the destination countries, forcing the company to make changes to project implementation. An important project involved the support provided for the arrangement of the Afghanistan Aid Conference. The two-year project agreement between Sitra, the Ministry of Finance and HAUS for the Uudistuja leadership programme ended and will continue under an agreement between the Ministry and HAUS.

Corporate responsibility

HAUS's corporate responsibility is reflected in the high-quality and effective implementation its mission. Digital solutions are part of HAUS's corporate responsibility. Remote connections, remote missions in international operations and the digital learning environment will both significantly reduce HAUS'S environmental burden when the need for travel is eliminated and working time is freed up for productive activities. Carbon dioxide emissions are mainly produced by air travel, which decreased by 70 per cent on the previous year.

HAUS's employees worked remotely from March onwards. Remote working and the motivation to work from home were supported. The HAUS Compliance function was built to support responsible business operations. The company trained its employees and introduced a reporting channel. In addition, HAUS focused on efficient management of competitive tendering and procurement and supported the central government's employee policy, including through job rotation.

Horse Institute Ltd

Horse Institute Ltd's special assignment is to operate a vocational equestrian college as well as to organise and develop training in the field. Horse Institute Ltd provides facilities for the national equestrian coaching centre.

HORSE INSTITUTE LTD

State shareholding

25%

Ownership steering

Ministry of Education and Culture

Special assignment

To operate a vocational equestrian college and national coaching centre for equestrian sports

Board of Directors 30 March 2020

Thomas Stenius (Chair), Vesa Mäkinen, Jouko Käkönen, Petri Puhakainen, Jari Kesäniemi, Nora Forstén, Jukka Koivisto

Chief Executive Officer

Pauliina Mansikkamäki

Key financial indicators	2020	2019
Net sales, EURm	7.0	8.0
Operating income, EURm	-0.3	0.1
Operating margin, %	-4.3	1.3
Total assets, EURm	4.7	5.0
Equity ratio, %	74.5	78.0
Gearing, %	-22.9	-43.6
Return on equity, %	-8.1	5.3
Return on investment, %	-7.5	2.5
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	0.1	0.7
Personnel, total, at 31 Dec.	83	77
Personnel, Finland, at 31 Dec.	83	77
Gender composition of the management team w/m	3/1	3/1
Gender composition of the Board of Directors w/m	1/6	1/5
Total tax footprint, EURm	0.6	0.6
Tax footprint in Finland, EURm	0.6	0.6

Record number of degrees

The past year was as exceptional for the Horse Institute as for the whole world. Covid-19 affected all the functions of the College and the coaching centre. Restrictions and interruptions caused by Covid-19 resulted in a reduction of approximately EUR 1 million in Horse Institute Ltd's net sales. In accordance with the strategy adopted in 2018, operations continued, focusing on developing the company's structure and operations in order to stabilise the financial base and strengthen commercial operations. The teaching output was record high at 431 student-years, 147 degrees and 27,000 competence points. The coaching centre started collaboration with two top riders. The company's financial recovery programme, launched in 2017, was interrupted by the Covid-19 pandemic. The company will start the coming year from a challenging position.

Changing horse industry

Changes in the equine business environment continued during the past year. The horse industry is adapting quickly to the expectations of a changing society. This requires the horse industry and the Horse Institute to have the skills to tackle future challenges, to adapt and to identify and take advantage of new opportunities. The Horse Institute's mission is to educate equestrian professionals whose knowledge and skills serve the needs of the modern horse industry. In the coming years, Finland will continue to have smaller school-age cohorts. Due to the shrinking age groups, educational institutions will need good planning skills and the industry must ensure that it will continue to attract prospective professionals for the field.

Municipality Finance Plc

Municipality Finance Plc provides financing services for the municipal sector and state-subsidised housing. Municipality Finance Plc is owned by the municipalities, the Local Government Pension Institution Keva and the State. Municipality Finance Plc acquires funding from the international capital markets.

MUNICIPALITY FINANCE PLC

State shareholding

16%

Ownership steering

Prime Minister's Office

Special assignment

To secure affordable funding for the building and renovation of state-subsidised housing.

Board of Directors 25 March 2021

Kari Laukkanen (Chair), Maaria Eriksson (Vice Chair), Markku Koponen, Vivi Marttila, Tuomo Mäkinen, Minna Smedsten, Denis Strandell, Leena Vainiomäki, Kimmo Viertola

Chief Executive Officer

Esa Kallio

Key financial indicators	2020	2019
Net sales, EURm	532	718
Operating income, EURm	194	131
Operating margin, %	36	18
Total assets, EURm	44,042	38,934
Equity ratio, %	3.9	4.0
Own funds in relation to risk-weighted assets, %	132.7	107.9
Return on equity, %	9.4	6.8
Return on all assets, %	0.4	0.3
Total dividends (proposal), EURm	20.3	6.3
Dividends received by the State, EURm	3.3	1.0
Investments, EURm	8.2	3.6
Personnel, total, at 31 Dec.	165	167
Personnel, Finland, at 31 Dec.	165	167
Gender composition of the management team w/m	1/6	1/6
Gender composition of the Board of Directors w/m	4/4	6/3
Total tax footprint	14.4	10.8
Tax footprint in Finland	14.4	10.8

Exceptional year brought the importance of municipal financing into focus

Covid-19 challenged many sectors during the year, even though the worst crisis scenarios did not occur in the end. Demand for financing provided by Municipality Finance increased especially at the beginning of the pandemic, and from time to time Municipality Finance was responsible in practice for the entire local authority bill market in short-term financing. The good reputation of Municipality Finance and a successful international borrowing strategy ensured the availability of the company's financing throughout the pandemic. During the year, Municipality Finance acquired EUR 11 billion of new non-current assets, which is 49 per cent more than in the previous year. Municipality Finance granted EUR 4.7 billion for new projects, which is around 52 per cent more than in 2019. Between March and May in particular, strong demand was affected by the expectation that the pandemic would increase municipalities' costs while revenues would decrease. Demand for municipal financing was also increased by the temporary exit of some of the other financing providers from the market. However, the pandemic only had a limited impact on housing production, and the demand for financing of state-subsidised housing remained unchanged.

New product for the responsible financing range

In 2016, Municipality Finance became the first credit institution to bring green financing for environmental investments to Finland, and in 2020 the company supplemented the range of its responsible financial products with social financing. This financing is targeted at particularly effective projects that generate wide-ranging social benefits, such as housing for special groups, promoting wellbeing or buildings used for education.

Traffic Management Company Fintraffic Ltd

Traffic Management Company Fintraffic Ltd (Traffic Management Finland Oy until 31 December 2020) provides traffic control services for all modes of transport and generates traffic data. The company promotes safe, smooth and environmentally friendly traffic flow.

TRAFFIC MANAGEMENT COMPANY FINTRAFFIC OY

State shareholding

100%

Ownership steering

Ministry of Transport and Communications

Special assignment

To provide traffic control services needed by society, the business sector and public authorities, and to generate traffic data.

Board of Directors 12 April 2021

Tero Ojanperä (Chair), Juha Majanen, Kirsi Nuotto, Teemu Penttilä, Mari Puoskari, Karri Salminen, Seija Turunen

Chief Executive Officer

Pertti Korhonen

Key financial indicators	2020	2019
Net sales, EURm	182.4	221.9
Operating income, EURm	-8.0	21.3
Operating margin, %	-4.4	9.6
Total assets, EURm	230.1	237.6
Equity ratio, %	69.8	71.6
Gearing, %	-1.4	-40.9
Return on equity, %	-5.7	8.6
Return on investment, %	-4.6	12.6
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	60.8	22.8
Personnel, total, at 31 Dec.	1,125	1,103
Personnel, Finland, at 31 Dec.	1,125	1,103
Gender composition of the management team w/m	2/9	1/9
Gender composition of the Board of Directors w/m	3/3	3/3
Total tax footprint, EURm	33.4	47.3
Tax footprint in Finland, EURm	33.4	47.3

Overview of operations in 2020

Fintraffic's net sales were EUR 182.4 million. Net sales were EUR 49.3 million (80.2 in 2019) for air traffic, EUR 69.6 million (74.4) for rail traffic, EUR 43.5 million (44.0) for road traffic and EUR 18.1 million (21.7) for maritime traffic. The operating loss was EUR 8 million. The company made a loss as a result of the impact of the Covid-19 pandemic on the demand for air navigation services. The major adjustment of air navigation services did not cover the loss of revenue.

Service demand for road, maritime and rail traffic control remained close to the previous year's level, and profitability achieved the planned moderate level. Thanks to the development of operations, the costs of service production decreased significantly. In addition, road safety was ensured because the pandemic did not interrupt the traffic control services provided by the company.

In line with its strategy, Fintraffic accelerated projects supporting the Finnish transport ecosystem at both transport system and mode of transport levels. The aim, together with the industry, is to combine information and services to optimise travel and logistics chains. In all modes of transport, Fintraffic continued to improve the quality, operational reliability and efficiency of its traffic control services.

Corporate responsibility as part of business

Fintraffic has integrated corporate responsibility into its decision-making. In 2020, it carried out a materiality analysis for corporate responsibility and published a corporate responsibility report in accordance with the GRI framework. In all of its operations, Fintraffic works to prevent accidents, reduce transport emissions and build a non-discriminatory work community. The company's operations are guided by social effectiveness.

Solidium Plc

Solidium holds minority interests in listed companies of national significance. The company operates on market terms and only makes investment decisions when the financial preconditions are met.

SOLIDIUM PLC

State shareholding

100%

Ownership steering

Prime Minister's Office

Special assignment

To reinforce and consolidate domestic ownership in listed companies of national significance, and increase the financial value of assets in the long term.

Board of Directors 30 November 2020

Harri Sailas (Chair), Aaro Cantell (Vice Chair), Timo Ahopelto, Jannica Fagerholm, Marjo Miettinen, Laura Raitio, Kimmo Viertola

Chief Executive Officer

Antti Mäkinen

Key financial indicators	2020	2019
Net sales, EURm	0.0	0.0
Operating income, EURm	-3.8	-3.9
Profit for the year, EURm	210.6	297.2
Total assets, EURm	6,949.4	8,193.2
Equity ratio, %	95	90
Return on investments at fair value, %	-7.9	-2.9
Administrative cost ratio, %	0.05	0.05
Net asset value, EURm	6,572.1	7,340.8
Total dividends paid, EURm	0	338.0
Dividends received by the State, EURm	0	338.0
Personnel, total, at 31 Dec.	12	12
Personnel, Finland, at 31 Dec.	12	12
Gender composition of the management team w/m	2/5	2/5
Gender composition of the Board of Directors w/m	3/4	3/4
Total tax footprint	120	13
Tax footprint in Finland	120	13

Financial performance in the financial year

Solidium's financial year runs from 1 July to 30 June. The company does not generate net sales.

Solidium's operating profit for the financial year was on level with the previous year, approximately EUR -3.8 (-3.9) million. Solidium's result for the 2020 financial year mainly consists of dividends received in the amount of EUR 230 (337) million.

Market operations carried out by Solidium

During the financial year, Solidium acquired shares for a total value of EUR 410 million. Solidium bought shares in Nokia for EUR 207 million, Nokian Tyres for EUR 55 million and Konecranes for EUR 25 million. Solidium's shareholding in TietoEVRY decreased from 10.0 per cent to 6.3 per cent as a result of the merger between Tieto and EVRY, but increased back to 10.0 per cent as a result of the EUR 123 million share transaction with Apax. Solidium sold shares for a total of EUR 578 million during the financial year. Solidium sold shares in Kemira for EUR 84 million and the Nordea shares, received as additional dividends from Sampo, for EUR 36 million. In addition, Solidium sold shares in Sampo for approximately EUR 458 million.

Covid-19 crisis, mergers and acquisitions

The Covid-19 crisis also affected the development of Solidium's share portfolio. Along with the rest of the market, the value of the portfolio decreased sharply in March 2020. But recovery was also rapid. The return on the share portfolio eventually amounted to -8.3 (-3.0) per cent for the financial year. The pandemic also had an impact on the operations of portfolio companies, and as a result there were difficulties in deliveries. Several companies cut their dividends.

Solidium has integrated corporate responsibility into its analysis. The investment teams carry out corporate responsibility analyses of portfolio companies and the company engages in active dialogue with stakeholders.

STUK International Ltd

The company provides expert services to promote safety in the use of nuclear energy and radiation and works in close cooperation with the Finnish Radiation and Nuclear Safety Authority (STUK). Its clients include foreign authorities responsible for radiation and nuclear safety as well as other public sector operators in the field.

STUK INTERNATIONAL LTD

State shareholding

100%

Ownership steering

Ministry of Social Affairs and Health

Special assignment

The objective of the sale of commercial services is to generate revenue for the company's owner, the State of Finland, and enhance the expertise of the Finnish Radiation and Nuclear Safety Authority.

Board of Directors 31 December 2020

Ilona Lindholm (Chair), Kirsi Alm-Lytz, Jorma Aurela, Ilpo Nuutinen, Petteri Tiippana

Chief Executive Officer

Pekka Ottavainen

Key financial indicators	2020	2019
Net sales, EURm	0.3	0.3
Operating income, EURm	0.0	0.0
Operating margin, %	5.8	0.0
Total assets, EURm	2.0	3.7
Equity ratio, %	67.0	38.7
Gearing, %	-118.3	-199.2
Return on equity, %	2.4	-10.3
Return on investment, %	1.5	-2.9
Total dividends paid, EURm	0.0	0.0
Dividends received by the State, EURm	0.0	0.0
Investments, EURm	0.0	0.0
Personnel, total, at 31 Dec.	1	1
Personnel, Finland, at 31 Dec.	1	1
Gender composition of the management team w/m	0/1	0/1
Gender composition of the Board of Directors w/m	2/3	2/3
Total tax footprint		
Tax footprint in Finland		

Operation of the company

The company's primary purpose is to enable the sale of STUK's international expert services in a profitable way and in line with market terms. The provision of the company's expert services is mainly based on subcontracting, the most important partner being the Finnish Radiation and Nuclear Safety Authority (STUK). All the services provided have the same quality target – they must be “as if provided by STUK”. This will be given special consideration when other subcontractors besides STUK are selected.

In addition to the provision of services related to nuclear energy, special emphasis is also put on the export of expertise in the safe use of radiation, environmental radiation monitoring and emergency preparedness and, wherever possible, on consultation tasks related to nuclear safeguards and security. The company develops products based on expert services related to the safe use of nuclear energy and radiation.

During its fourth year of operation, the company has continued to deliver expert services to customers, albeit on a small scale. Due to the challenges posed by Covid-19, investments have been made especially in product development. In addition, the company has participated in selected invitations to tender. Cooperation with STUK has been deepened, and the company has increasingly invested in international marketing.

State Security Networks Ltd

The State Security Networks Group is a state-owned company with a special mission to ensure critical management capabilities in times of crisis, and to secure the provision of communications and information society services under all circumstances.

STATE SECURITY NETWORKS LTD

State shareholding

100%

Ownership steering

Prime Minister's Office

Special assignment

Construction and operation of communications networks used by central and local government authorities that are critical to the nation's security as well as other security networks and the provision of related services.

Board of Directors 31 March 2021

Ilpo Nuutinen (Chair), Tuula Haataja, Leena Hellfors, Sara Kajander, Hannu Kauppinen, Janne Koivukoski, Arja Lehtonen, Maria Nikkilä

Chief Executive Officer

Timo Lehtimäki

Key financial indicators	2020	2019
Net sales, EURm	104.4	102.4
Operating income, EURm	6.9	1.6
Operating margin, %	6.6%	1.6%
Total assets, EURm	257.2	253.4
Equity ratio, %	88.7%	87.8%
Gearing, %	-5.8%	-7.8%
Return on equity, %	2.4%	0.3%
Return on investment, %	2.9%	0.6%
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	28.1	19.0
Personnel, total, at 31 Dec.	379	370
Personnel, Finland, at 31 Dec.	379	370
Gender composition of the management team w/m	2/6	1/5
Gender composition of the Board of Directors w/m	5/3	4/4
Total tax footprint, EURm	14.6	17.0
Tax footprint in Finland, EURm	14.6	17.0

Determined development continued during the pandemic

The transition towards 4G and 5G services in Virve, the public authority network, progressed significantly while the stable operation and systematic development of the Security Network continued. In the Virve 2.0 project, the company reached a significant milestone when it signed 10-year contracts for a radio network service with Elisa and information systems with Ericsson. Investments in data centre services and the operation of other secure mission critical services provided by the company progressed steadily even under the exceptional circumstances. The introduction of 4G and 5G technologies by 2025 will bring many new opportunities to the company's customers. The most significant innovation is the prioritisation of traffic, which allocates its own band to the authorities. 5G services will also increase speed and provide a better user experience to those responsible for critical communications in society. In line with the three-year transformation programme launched in 2020, all of the Group's support and administrative services and the ICT services of the subsidiary Leijonaverkot were centralised in the parent company. After the end of the financial year, the software business of Leijonaverkot was incorporated into Deltagon Oy, which was sold to Kyberleijona Ltd. Kyberleijona is an affiliated company of the State Security Networks Group and a subsidiary of SSH. The acquisition is expected to be completed in the first half of 2021.

Financial result and corporate responsibility

The company posted a good financial result, exceeding its targets. Net sales increased to EUR 104.4 million (102.4) and operating profit to EUR 6.9 million (1.6). The Group's equity ratio also remained strong at 88.7 per cent. The company's updated corporate responsibility programme increasingly links responsibility to the company's strategy and management processes. The programme objectives include reducing carbon emissions, improving wellbeing at work and promoting responsible procurement.

Finnish Aviation Academy Ltd

The Finnish Aviation Academy is a special vocational institute that trains professional pilots for Finnish commercial aviation needs and develops aviation training as well as other related services.

FINNISH AVIATION ACADEMY LTD

State shareholding

49.5%

Ownership steering

Prime Minister's Office

Special assignment

To operate an institute of education providing aviation training

Board of Directors 29 March 2021

Kai-Petteri Purhonen (Chair), Jaakko Schildt, Juho Sinkkonen, Tuula Lybeck

Chief Executive Officer

Juha Siivonen

Key financial indicators	2020	2019
Net sales, EURm	9.3	10.5
Operating income, EURm	0.4	0.1
Operating margin, %	4.3	1.0
Total assets, EURm	19.9	19.4
Equity ratio, %	94.4	94.3
Gearing, %	-38.2	-37.4
Return on equity, %	2.2	0.5
Return on investment, %	2.7	0.5
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	0.2	0.7
Personnel, total, at 31 Dec.	46	48
Personnel, Finland, at 31 Dec.	46	48
Gender composition of the management team w/m	1/6	1/6
Gender composition of the Board of Directors w/m	1/3	1/3
Total tax footprint, EURm	3.0	3.1
Tax footprint in Finland, EURm	3.0	3.1

Financial performance

Finnish Aviation Academy Ltd is a special vocational institute that is tasked with training high-quality pilots to meet the need for commercial pilots in Finland. The company's financial objective is to generate an operating margin that secures investments and future operations. The company does not seek profit or distribute dividends to its owners. Most of the net sales come from the central government transfers granted by the Ministry of Education and Culture.

In 2020, net sales by Finnish Aviation Academy were EUR 9.3 million, down by some 12 per cent on the previous year. The decrease in net sales was mainly due to the suspension of operations caused by the Covid-19 pandemic. Finnish Aviation Academy's students had a break for a few months during 2020. Only one new teaching group was launched during the year instead of the usual two. At the same time, the suspension of operations resulted in cost savings and in employees being furloughed for an average of two weeks during the spring. The financial result for the financial year was EUR 377,000.

Responsible pilot training

Finnish Aviation Institute's corporate responsibility emphasises safety, especially aviation safety, and it is of paramount importance that the company's operations do not pose a danger to students, staff or third parties. The focus of the Institute's environmental responsibility is on aviation emissions. Investments in newer aircraft in recent years are clearly reflected in reduced fuel consumption. The share of jet aircraft has been reduced in training and this in turn has reduced exhaust emissions. A significant part of flight training is carried out in simulators rather than aircraft, with a remarkably low environmental impact.

Finnish Minerals Group Ltd

The mission of the Finnish Minerals Group is to maximise the value of Finnish minerals responsibly. In addition to the parent company, the Group includes Terrafame Oy, Sokli Oy and Finnish Battery Chemicals Oy and its subsidiaries.

FINNISH MINERALS GROUP LTD

State shareholding

100%

Ownership steering

Ministry of Economic Affairs and Employment

Special assignment

To develop the battery value chain for electric cars, active ownership and technological development

Board of Directors 26 March 2020

Antti Kumm (Chair), Janne Känkänen (Vice Chair), Teija Kankaanpää, Ilpo Korhonen and Eeva Ruokonen.

Chief Executive Officer

Matti Hietanen

Key financial indicators	2020	2019
Net sales, EURm	338.3	310.4
Operating income, EURm	-17.5	-9.066
Operating margin, %	-5.2%	-2.9%
Total assets, EURm	975.9	861.615
Equity ratio, %	-50.9%	-53.5%
Gearing, %	-19.6%	4.4%
Return on equity, %	-3.9%	-8.9%
Return on investment, %	-0.2%	-3.5%
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	190.4	124.9
Personnel, total, at 31 Dec.	888	768
Personnel, Finland, at 31 Dec.	888	768
Gender composition of the management team w/m	1/5	1/4
Gender composition of the Board of Directors w/m	2/3	3/4
Total tax footprint	-4	25
Tax footprint in Finland	-4	25

Battery value chain in focus

The Finnish Minerals Group held negotiations on projects related to the development of the battery value chain with several potential business partners. Progress was made most in the negotiations on precursor (pCAM) and cathode active material factories (CAM) and in related technical and economic analysis. In March, the EIA procedure for pCAM and CAM factories was also launched, which was limited later in the autumn to Kotka and Hamina.

At the end of the year, the Finnish Minerals Group's shareholding was 66.8 per cent in Terrafame Oy and 26.3 per cent in Keliber Oy. Terrafame's most important project of the year was the battery chemical plant, which will start production in late spring 2021. Keliber's lithium hydroxide project also proceeded well. At the end of the year, an agreement was signed with Yara Suomi Oy to purchase the Sokli mining project and a 2 per cent stake in Sotkamo Silver AB was divested.

Technology efforts focused on supporting the development of the battery business and the planning of investments. Technical performance of portfolio companies was actively monitored. In research, the most significant issue during the year was the traceability of mineral raw materials; work continues in that field.

Corporate responsibility to support action

The Finnish Minerals Group's corporate responsibility action is based on a programme published earlier this year. The most significant steps were taken in preparing investments, reviewing the corporate responsibility of partnerships and dealing with portfolio companies' environmental and climate issues. The subsidiary Terrafame published a certified life cycle analysis in the autumn, according to which the carbon footprint of its new plant's nickel sulphate is more than 60 per cent lower than the average for the manufacture of nickel sulphate.

Finnish Industry Investment Ltd (Tesi)

Finnish Industry Investment Ltd is a state-owned capital investment company whose mission is to promote the growth and international expansion of Finnish companies, and to develop the Finnish capital investment market. Tesi invests in portfolio companies directly and through private equity funds.

FINNISH INDUSTRY INVESTMENT LTD

State shareholding

100%

Ownership steering

Ministry of Economic Affairs and Employment

Special assignment

To develop the capital investment market, affect the renewal of trade and industry and create growth companies.

Board of Directors 31 December 2020

Kimmo Jyllilä (Chair), Pauli Kariniemi, Riku Huttunen, Minna Helppi, Annamarja Paloheimo, Riitta Tiuraniemi, Anniina Heinonen

Chief Executive Officer

Jan Sasse

Key financial indicators	2020	2019
Net sales, EURm	226.3	64.6
Operating income, EURm	221.61	95.5
Operating margin, %	97.9%	147.9%
Total assets, EURm	1,499.3	1,129.7
Equity ratio, %	94.5%	96.3%
Gearing, %	-32.5%	-37.1%
Return on equity, %	16.4%	7.5%
Return on investment, %	20.1%	9.2%
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	175.5	118.1
Personnel, total, at 31 Dec.	35	37
Personnel, Finland, at 31 Dec.	35	37
Gender composition of the management team w/m	1/6	1/6
Gender composition of the Board of Directors w/m	4/3	4/3
Total tax footprint, EURm	10.0	9.8
Tax footprint in Finland, EURm	10.0	9.8

Markets developed positively

In 2020, Tesi's investments came to EUR 248 million. At the end of 2020, the company's equity investments amounted to EUR 1.9 billion. The investees included 97 funds and 73 portfolio companies. The KRR IV fund of EUR 175 million, which invests in Finnish early and growth-stage funds, launched its investment operations at the beginning of 2020. All the KRR funds (EUR 406 million) have so far invested in 34 funds (more than 240 Finnish companies). The circular economy investment programme launched in 2018 and the EFSI programme launched jointly with the EIB continued their investment activities. In order to prevent the harm caused by the Covid-19 pandemic, Tesi launched a stabilisation programme for medium-sized enterprises in April and a Venture Bridge programme for early-stage growth companies in June. By the end of the year, a total of EUR 51 million had been invested in 10 companies from the stabilisation programme and EUR 12.4 million from the Venture Bridge programme in 14 companies. During 2020, Tesi carried out a three-part study to form a comprehensive view of the state of SMEs. The results of the study were widely used in central government, for example in professor Vesa Vihriälä's working group on the effects of Covid-19. The data from the study is freely available to everyone. In 2019, the number of jobs in Tesi's portfolio companies grew by more than 6,700. The companies' net sales in Finland grew by 12 per cent during 2019. Tesi's operations are guided by the State's ownership policy decisions on corporate responsibility. It is a cross-cutting principle in investment policy and implemented together with other investors and target companies.

The Tesi Act sets a long-term profitability target. The company has been making a profit since 2014. The company's financial result for the financial year was EUR 179 million. The strong result was attributed, among other reasons, to successful exits.

VTT Technical Research Centre of Finland Ltd

VTT Technical Research Centre of Finland Ltd is one of the leading research and technology organisations in Europe. It helps customers grow and society prosper through applied research.

VTT TECHNICAL RESEARCH CENTRE OF FINLAND LTD

State shareholding

100%

Ownership steering

Ministry of Economic Affairs and Employment

Special assignment

To implement economic and innovation policies

Board of Directors 31 December 2020

Pekka Tiittien (Chair), Heli Antila, Matti Hietanen, Jukka Kola, Harri Leiviskä, Teemu Moisala, Marja-Riitta Pihlman

Chief Executive Officer

Antti Vasara

Key financial indicators	2020	2019
Net sales, EURm	148.9	147.2
Operating income, EURm	13.3	3.9
Operating margin, %	8.9%	2.6%
Total assets, EURm	284.1	263.7
Equity ratio, %	69.5%	64.7%
Gearing, %	-74.2%	-72.4%
Return on equity, %	7.3%	2.0%
Return on investment, %	8.4%	2.7%
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	20.4	23.3
Personnel, total, at 31 Dec.	1,961	1,919
Personnel, Finland, at 31 Dec.	1,961	1,919
Gender composition of the management team w/m	6/3	6/3
Gender composition of the Board of Directors w/m	2/5	4/3
Total tax footprint	39.0	36.8
Tax footprint in Finland	39.0	36.8

VTT's operations in 2020

VTT's goal is to solve, together with its clients and research partners, the biggest social challenges of our time, creating sustainable growth, jobs and wellbeing. These challenges include climate

change, resource adequacy, overall security in society, industrial renewal and the prerequisites for healthy living and wellbeing.

Based on VTT's strategic choices, the world-class expertise needed to solve these challenges will be developed. Through its vision and roadmap, VTT contributes to improving the competitiveness of industrial supply chains and production. In order to utilise the energy industry transformation, VTT, together with Aalto University and businesses, will build a leading development environment for clean and smart urban solutions. In addition to promoting the Government's climate objectives, VTT will seek to improve the competitiveness of Finnish industry through the digital transformation and RDI activities. Separate funding for the circular economy has supported new circular economy ecosystems, networks and the development of new models of value creation and distribution in the circular economy. VTT and Finnish quantum industry start-up IQM started building Finland's first quantum computer in 2020. Research capabilities in the application of quantum technology will also be developed. Through VTT's unique research infrastructure and development environments, businesses have good opportunities for sharing infrastructures and then creating new export products and services. During 2020, VTT continued to invest in its piloting and research environments to ensure the continuous development of excellence.

All corporate responsibility indicators set for VTT reached their targets. According to the stakeholder materiality analysis, the respondents considered high research ethics, general ethics of operations and careful handling of information and assets significant in VTT's operations. The key parts of the requirements provided in the government resolution on ownership policy were implemented.

Finnish Fund for Industrial Cooperation Ltd (Finnfund)

Finnfund promotes the economic and social development of its partner countries by financing private sector projects. Finnfund is a risk financier and allocates most of its financing to developing low-income and lower-middle-income countries.

FINNISH FUND FOR INDUSTRIAL COOPERATION LTD (FINNFUND)

State shareholding

95.73%

Ownership steering

Ministry for Foreign Affairs

Special assignment

Finnfund promotes the economic and social development of its partner countries by financing private sector projects.

Board of Directors 20 March 2020

Robert Wihtol (Chair), Pirita Mikkanen (Vice Chair), Helena Airaksinen, Nicholas Andersson, Jussi Haarasilta, Anu Hämäläinen, Hanna Loikkanen, Antero Toivainen.

Chief Executive Officer

Jaakko Kangasniemi

Key financial indicators	2020	2019
Net sales, EURm	0	0
Operating income, EURm	-12.3	-12.5
Operating margin, %	0	0
Total assets, EURm	721.4	615.7
Equity ratio, %	41.7	43.4
Gearing, %	107.4	111.3
Return on equity, %	-9.3	0.3
Return on investment, %	9.9	7.9
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	0.4	1.1
Personnel, total, at 31 Dec.	85	81
Personnel, Finland, at 31 Dec.	85	81
Gender composition of the management team w/m	2/4	2/4
Gender composition of the Board of Directors w/m	4/4	4/4
Total tax footprint		
Tax footprint in Finland	n/a	n/a

Financial result was adversely affected by Covid-19

The Covid-19 pandemic dominated the year. On the one hand, Finnfund's development financing was increasingly important for enabling its client companies to survive the crisis and for safeguarding the jobs and livelihoods they created. On the other, the profitability of Finnfund's investments declined and the preparation of new investment decisions slowed down due to travel restrictions, among other things. Despite the difficult business environment, Finnfund made 32 new investment decisions totalling EUR 212 million during 2020. Finnfund's investment assets grew by EUR 51 million, reaching EUR 608 million at the end of the year. Of the new investment decisions, 30 (95 per cent of the value of investments) concerned lower-middle-income and low-income developing countries. The investment write-downs caused by the Covid-19 pandemic had a highly negative impact on the financial result.

In 2020, the State continued to strengthen Finnfund's financing base. The company's share capital was increased by EUR 60 million and the maximum amount of the loss compensation commitment granted to Finnfund was increased to EUR 150 million (previously EUR 75 million). The commitment strengthens Finnfund's capacity to operate in developing countries even during the pandemic.

Focus on development effects

The financing increases have emphasised Finnfund's role as a major development policy operator. The company's importance in climate finance has also grown. The development impacts and risks of investments are closely monitored. The company's governance has been improved, especially concerning the management of environmental, corporate responsibility and human rights risks, tax liability and the assessment of the investments' impact on development.

Tietokarhu Oy

Tietokarhu Oy, a joint venture between the Finnish State and TietoEVRY, has been developing and maintaining tax information systems since 1998. The company was put into liquidation on 1 January 2021 when its operations ended.

TIETOKARHU OY

State shareholding

20% (share of votes 80%)

Ownership steering

Ministry of Finance

Special assignment

To take responsibility for its own part for the information systems of the Finnish Tax Administration to enable timely and error-free collection of taxes. The special assignment ended at the end of 2020.

Board of Directors (until 31 December 2020, liquidation as of 1 January 2021)

Tomi Hytönen (Chair), Tarja Rautio (Vice Chair), Mari Näätäsaari, Risto Fagerholm, Tiina Häkkä

Chief Executive Officer (until 31 Dec 2020)

Jani Nissinen

Key financial indicators	2020	2019
Net sales, EURm	8.0	28.5
Operating income, EURm	-3.1	8.0
Operating margin, %	-	28
Total assets, EURm	7.7	17.7
Equity ratio, %	50.6	54.9
Gearing, %	0	0
Return on equity, %	-45.5	83.4
Return on investment, %	-45.5	101.9
Total dividends paid, EURm	-	2.8
Dividends received by the State, EURm	-	0.6
Investments, EURm	-	-
Personnel, total, at 31 Dec.	18	89
Personnel, Finland, at 31 Dec.	18	89
Gender composition of the management team w/m	80/20%	67/33%
Gender composition of the Board of Directors w/m	67/33%	80/20%
Total tax footprint	1.1	7.5
Tax footprint in Finland	1.1	7.5

Overview of events in 2020

In 2020, preparations were made to wind down the company's operations. At the Extraordinary General Meeting held on 27 October 2020, the State and Tieto-EVRY Plc decided to liquidate the company on 1 January 2021. Tietokarhu's net sales decreased to approximately 28 per cent of the 2019 level. The company's result turned negative in its last year of operation. However, Tietokarhu's solvency and liquidity remained good. In 2020, Tietokarhu's operations focused on planning, implementing and testing the statutory annual changes by the Tax Administration, on supporting the Tax Administration's system reform and on maintaining and developing the Finnish Patent and Registration Office's Business Information System. A key priority was the controlled transfer to another supplier of Tax Administration and Finnish Patent and Registration Office information systems, which the company had managed. Customer satisfaction remained at an excellent level. Staff turnover increased during the year, most of the employees moving to TietoEVRY Plc's organisation. During 2020, the cooperation procedure for redundancies on financial and production-related grounds was also completed. The programme supporting employee career paths was implemented successfully. The cooperation procedure ended in October 2019 with the conclusion that a maximum of 56 employees would need to be laid off by the end of 2020. In the end, 36 employees were laid off, 29 of them in 2020.

Tietokarhu's operations ended on 31 December 2020 and the company has been in liquidation since 1 January 2021 with a view to winding up the limited liability company. The liquidation has gone according to plan and the company's assets are sufficient to cover the final operations. At the end of the liquidation procedure, Tietokarhu's equity will be distributed in shares to shareholders after the company's creditors have received payments against their claims. The company is expected to be dissolved by autumn 2021.

Climate Fund Ltd (State Business Development Company Vake Ltd)

The State Development Company Vake amended its articles of association in order to become the Climate Fund at the end of December 2020.

CLIMATE FUND LTD

State shareholding

100%

Ownership steering

Ministry of Economic Affairs and Employment (Prime Minister's Office until 21 December 2020)

Special assignment

Board of Directors 21 December 2020

Perttu Puro (Chair), Mirva Antila, Kari Hämeikoski, Mammu Kaario, Juho Korpi, Petri Peltonen, Erja Turunen

Chief Executive Officer

Paula Laine

Key financial indicators	2020	2019
Net sales, EURm	98.6	71.8
Operating income, EURm	95.9	68.0
Operating margin, %	97.3	95
Total assets, EURm	3,884	1,916
Equity ratio, %	88	100
Gearing, %	-3.0	-1.7
Return on equity, %	5.0	3.2
Return on investment, %	6.0	3.7
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	0	0
Personnel, total, at 31 Dec.	9	10
Personnel, Finland, at 31 Dec.	9	10
Gender composition of the management team w/m		
Gender composition of the Board of Directors w/m	3/4	2/3
Total tax footprint	28	8.7
Tax footprint in Finland	28	8.7

Vake becomes Climate Fund

At its climate summit in February 2020, Prime Minister Marin's Government published a roadmap setting out a timetable and objectives for the preparation of climate measures and

outlining new measures to promote carbon neutrality. As part of the measures, a decision was made to set up a climate fund based on Vake, which would focus on combatting climate change, promoting digital transformation and boosting low-carbon industrial activities. In February 2020, a working group of public officials was set up to design an operating model for the climate fund.

In the summer, in connection with the fourth supplementary budget, it was announced that the company would be capitalised with EUR 300 million. However, the capitalisation was not carried out during 2020. In connection with the government budget session, it was decided that Vake would become the Climate Fund and the Ministry of Economic Affairs and Employment would take over its ownership steering. Vake's holdings in Posti Corporation (49.9 per cent), Altia Plc (36.24 per cent), Vapo Oy (16.7 per cent) and Nordic Morning Corporation (100 per cent) were transferred in December as a return of capital to the Prime Minister's Office and the company's control was transferred to the Ministry of Economic Affairs and Employment. Vake retained an 8.3 per cent holding in Neste Corporation, whose dividend yields are used by the Climate Fund to finance its operations. The ownership steering of Neste's stock held by the Climate Fund will remain with the Prime Minister's Office. In December, the articles of association were amended to change Vake into the Climate Fund, new policy guidelines were issued and a new board of directors and an investment board appointed. The company's operations mainly focused on planning future operations, maintaining, increasing and analysing its financing activities, and developing administration. In 2020, the Climate Fund received EUR 86.2 (71.8) million in dividends. The Climate Fund focuses on combatting climate change, promoting digital transformation and boosting low-carbon industrial activities.

Veikkaus Ltd

Veikkaus Ltd holds the exclusive right to operate all gambling in Finland. The company's financial result is credited to the beneficiary ministries (Ministry of Education and Culture, Ministry of Social Affairs and Health and Ministry of Agriculture and Forestry), which distribute the funds to the beneficiary groups defined by law.

VEIKKAUS LTD

State shareholding

100%

Ownership steering

Prime Minister's Office

Special assignment

As defined in the Lotteries Act

Board of Directors 18 March 2021

Olli-Pekka Kallasvuo (Chair), Leena Vainiomäki (Vice Chair), Hanna Sievinen, Christian Cedercreutz, Anne Larilahti, Juha Pantzar, Pekka Hurtola

Chief Executive Officer

Olli Sarekoski

Key financial indicators	2020	2019
Net sales, EURm	1,260.3	1,690.7
Operating income, EURm	680.5	1,009.3
Operating margin, %	54.0	59.7
Total assets*, EURm	1,032.9	1,360.8
Equity ratio, %	82.4	86.5
Gearing, %	-17.9	-12.0
Return on equity, %	68.2	86.7
Return on investment, %	68.3	86.8
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	29.7	32.6
Personnel, total, at 31 Dec.	1,592	1,606
Personnel, Finland, at 31 Dec.	1,592	1,606
Gender composition of the management team w/m	5/5	3/6
Gender composition of the Board of Directors w/m	3/4	3/4
Total tax footprint, EURm	220.9	281.1
Tax footprint in Finland, EURm	220.9	281.1

** The bulk of the total assets are pass-through items, all of which consist of the share of the financial year's profits distributed to the benefitting ministries as well as some short-term debts to players.

Covid-19 had a major impact on the result

Veikkaus Oy's financial result for 2020 decreased significantly due to measures taken by the company to prevent gambling harm, especially as a result of the Covid-19 pandemic. In order to prevent the spread of the coronavirus, the company's own gambling venues and decentralised slot machines were closed first in the spring throughout Finland for about four months and again at the end of November in most of the country. Some employees were furloughed due to the Covid-19 measures.

In 2020, net sales (gaming revenue) were EUR 1,260.3 million. The result, EUR 680.4 million, was below the amount (EUR 1,082 million) recorded in the 2020 Budget to be distributed to beneficiaries by the beneficiary ministries. Veikkaus does not distribute dividends; instead, the result for the financial year is distributed in full to the beneficiary ministries defined in the Lotteries Law (Ministry of Education and Culture, Ministry of Social Affairs and Health and Ministry of Agriculture and Forestry). The company's future operating conditions depend significantly on the ongoing reform of the Lotteries Act. In the context of the reform, the Prime Minister's Office has sought to act, in accordance with the Government Programme, to strengthen Veikkaus' operating conditions and, as a result, its finances.

Corporate responsibility at the heart of the strategy

During 2020, Veikkaus made significant decisions on building a more responsible gaming environment. The updated strategy emphasises players' responsibility and is based on a safer and more responsible gaming environment. A number of important decisions and measures were taken to achieve this. For example, the number of decentralised slot machines was reduced by 8,000. Veikkaus will also introduce mandatory identification in all gambling in 2021–2023.

Finnish Broadcasting Company Ltd

The company's mission is to provide versatile and comprehensive public service television and radio programming, including related ancillary and additional services, available to everyone on equal terms. Services must be provided in public communications networks nationally and regionally.

FINNISH BROADCASTING COMPANY LTD

State shareholding

99.98%

Ownership steering

Administrative Council appointed by Parliament / Ministry of Transport and Communications

Special assignment

To provide comprehensive television and radio programming and related ancillary and additional services that are available to everyone

Board of Directors 31 December 2020

Thomas Wilhelmsson (Chair), Katri Viippola, Pauliina Ahokas, Kai Huotari, Lauri Kontro, Pauliina Mäkelä, Sirpa Ojala

Chief Executive Officer

Merja Ylä-Anttila

Key financial indicators	2020	2019
Net sales, EURm	487.6	478.0
Operating income, EURm	8.8	6.1
Operating margin, %	1.8	1.3
Total assets, EURm	368.7	308.7
Equity ratio, %	38.6	43.8
Gearing, %	12.7	21.6
Return on equity, %	5.2	4.5
Return on investment, %	4.7	0.1
Total dividends paid, EURm	0	0
Dividends received by the State, EURm	0	0
Investments, EURm	82.5	87.6
Personnel, total, at 31 Dec.	3,296	3,304
Personnel, Finland, at 31 Dec.	3,283	3,209
Gender composition of the management team w/m	6/6	5/5
Gender composition of the Board of Directors w/m	4/3	3/4
Total tax footprint, EURm	98.9	86
Tax footprint in Finland, EURm	98.8	86

Business development

The Finnish Broadcasting Company (Yle) succeeded in meeting its strategic objectives and strengthened its audience relationship. Of the people living in Finland, 96 per cent used at least one Yle service on a weekly basis.

Yle's operations were significantly affected by the Covid-19 pandemic and the related restrictions. Yle supplemented its range of programme and carried out restructuring. The measures took into account the changing needs of audiences, the cancellation of major sporting and cultural events and the situation in the Finnish creative sector. In content planning, particular attention was given to the effects of the pandemic on the everyday lives of Finnish people of different ages.

When a state of emergency was announced in Finland, Yle broadcast the Government's and authorities' press conferences live, made the broadcast signal available to other media, and launched special news broadcasts on television, radio and via Yle Areena. Yle launched the Yle Olohuone concept, which offered music, entertainment and culture on TV. Yle also increased the share of Finnish music on radio channels. The Linnan juhlat celebrations marking the Finnish Independence Day were carried out in a new way, taking into account the Covid-19 restrictions. As a social project, the Hyvin Sanottu – Bra sagt project was launched to develop the Finnish debating culture.

For the first time, Yle and MTV Oy together acquired the rights to the men's 2026 FIFA World Cup. During 2020, Yle made significant additional investments in the services for special and minority groups.

Corporate responsibility

Yle implements corporate responsibility through its public service mission and by acting as a responsible corporate citizen.

1.11 Sources of data and formulae for calculating key financial indicators

The data provided in this Annex 4 to the State Annual Accounts is based on publicly available information. An attempt has been made to select information on the companies and the share portfolio held by the State which is essential in the view of the Ownership Steering Department of the Prime Minister's Office. Estimates of the amount of dividends paid by companies are subject to an exceptional degree of uncertainty. The Ownership Steering Department carries out independent analyses of the companies to formulate its own view of their status and performance. The key financial indicators presented in the report are ratios calculated by the State Ownership Steering Department using the following formulae. Consequently, the key indicators may differ from those calculated by the companies themselves. The differences are due, among other things, to the items included in the companies' comparable profit.

$$\text{Operating margin -\%} = \frac{\text{Operating margin}}{\text{Net sales}} \times 100$$

$$\text{Equity ratio, \%} = \frac{\text{Equity + Minority interest}}{\text{Balance sheet total – Advances received}} \times 100$$

$$\text{Return on investment, \%} = \frac{\text{Profit before taxes + Interest and other financial expenses}}{\text{Invested capital on average}} \times 100$$

$$\text{Return on equity, \%} = \frac{\text{Net profit}}{\text{Equity (average for the financial year)}} \times 100$$

$$\text{Gearing, \%} = \frac{\text{Interest-bearing net debts}}{\text{Equity}} \times 100$$

$$\text{Dividend yield, \%} = \frac{\text{Dividend per share}}{\text{Share price}} \times 100$$

$$\text{Payout ratio, \%} = \frac{\text{Dividend per share}}{\text{net earnings per share}} \times 100$$

$$\text{Return on all assets, \%} = \frac{\text{Operating income – Taxes}}{\text{Balance sheet total on average}} \times 100$$

$$\text{Total own funds in relation to riskweighted asset, \%} = \frac{\text{Total own funds}}{100 \text{ Risk-weighted receivables}} \times 100$$

1.12 State's holdings and parliamentary authorisations on 31 December 2020

Listed companies	Ownership steering	Group	State shareholding %	Minimum level for state interest %
Altia Plc	PMO	1a	36.2%	0.0%
Elisa Corporation	Solidium Oy	1a	10.0%	0.0%
Finnair Plc	PMO	1b	55.8%	50.1%
Fortum Corporation	PMO	1b	50.8%	50.1%
Kemira Corporation	Solidium Oy	1a	10.2%	0.0%
Konecranes Plc	Solidium Oy	1a	8.5%	0.0%
Metso Outotec Plc	Solidium Oy	1a	14.9%	0.0%
Neste Corporation ¹⁾	PMO	1b	44.7%	33.4%
Nokia Plc	Solidium Oy	1a	5.2%	0.0%
Nokian Tyres plc	Solidium Oy	1a	7.8%	0.0%
Outokumpu Plc	Solidium Oy	1a	21.7%	0.0%
Sampo plc	Solidium Oy	1a	8.0%	0.0%
SSAB	Solidium Oy	1a	12.6%	0.0%
Stora Enso Plc	Solidium Oy	1a	10.7%	0.0%
TietoEVERY Plc	Solidium Oy	1a	10.0%	0.0%
Valmet Plc	Solidium Oy	1a	11.1%	0.0%
Total (qty)		16		

1) 8.31 per cent of Neste Corporation's shares are included in the balance sheet of Climate Fund Ltd

PMO = Ownership Steering Department IN the Prime Minister's Office

Non-listed commercial companies	Ownership steering	Group	State shareholding %	Minimum level for state interest %
Arctia Ltd	PMO	1b	100.0%	50.1%
Boreal Plant Breeding Ltd	PMO	1b	60.8%	50.1%
Finavia Corporation	PMO	1b	100.0%	100.0%
Fingrid Oyj ²⁾	MF	1b	28.2%	50.1%
Gasum Oy ³⁾	PMO	1b	100.0%	50.1%
Gasgrid Finland Oy ⁴⁾	MF	1b	100.0%	50.1%
Kemijoki Oy ⁵⁾	PMO	1a	50.1%	0.0%
Leijona Catering Oy	PMO	1b	100.0%	100.0%
Motiva Oy	PMO	1b	100.0%	100.0%
Nordic Morning Group Plc	PMO	1a	100.0%	0.0%
Patria Plc	PMO	1b	50.1%	50.1%
Posti Group Oyj	PMO	1b	100.0%	50.1%
Suomen Lauttaliikenne Oy	PMO	1b	100.0%	100.0%
Mint of Finland Ltd	PMO	1a	100.0%	50.1%
Finnish Seed Potato Centre Ltd	PMO	1b	22.0%	0.0%
Suomen Viljava Oy	PMO	1b	100.0%	100.0%
Tapio Ltd	PMO	1b	100.0%	100.0%
Vapo Oy	PMO	1b	50.1%	33.4%
VR Group Ltd	PMO	1b	100.0%	100.0%
Total (qty)		19		
Commercial companies in total		35		

2) National Emergency Supply Agency 24.9%

3) Direct state ownership 26.5% of shares and 50.2% of voting rights. The rest of the shares are owned by Gasonia Oy, a wholly state-owned special assignment company.

4) Ministry of Finance 26.5% of shares and 50.2% of voting rights, Suomen Kaasuverkko Oy 73.5% of shares and 49.8% of voting rights

5) Changes in ownership require approval of the shareholders' agreement

Companies entrusted with special state assignments	Ownership steering	Group	State shareholding %	Minimum level for state interest %
A-Kruunu Oy	ME	2	100.0%	100.0%
Alko Inc.	MSAH	2	100.0%	100.0%
OHY Arsenal Oy ⁶⁾	MF	2	100.0%	100.0%
Business Finland Oy ⁷⁾	MEAE	2	100.0%	100.0%
Cinia Oy	MTC	2	77.5%	50.1%
CSC-IT Center for Science Ltd	MEC	2	70.0%	50.1%
DigiFinland Oy	MF	2	100.0%	100.0%
FinnHEMS Oy	MSAH	2	100.0%	100.0%
Finnpilot Pilotage Ltd	PMO	2	100.0%	100.0%
Finnvera plc	MEAE	2	100.0%	100.0%
Gasonia Oy	PMO	2	99.0%	0.0%
Governia Oy	PMO	2	100.0%	100.0%
Hansel Ltd	MF	2	100.0%	100.0%
HAUS Finnish Institute of Public Management Ltd	MF	2	100.0%	100.0%
Horse Institute Ltd	MEC	2	25.0%	0.0%
Climate Fund Ltd	MEAE	2	100.0%	100.0%
Municipality Finance Plc	PMO	2	16.0%	0.0%
Oppiva Invest Oy ⁸⁾	Finnish National Agency for Education	2	100.0%	100.0%
Pohjolan Rautatiet Oy	MTC	2	100.0%	100.0%
Solidium Oy	PMO	2	100.0%	100.0%
STUK International Ltd	MSAH	2	100.0%	100.0%
State Security Networks Ltd	PMO	2	100.0%	100.0%
Finnish Aviation Academy Ltd	PMO	2	49.5%	33.4%
Suomen Kaasuverkko Oy	MF	2	100.0%	100.0%
Finnish Minerals Group Ltd	MEAE	2	100.0%	0.0%
Finnish Industry Investment Ltd	MEAE	2	100.0%	100.0%

Companies entrusted with special state assignments	Ownership steering	Group	State shareholding %	Minimum level for state interest %
VTT Technical Research Centre of Finland Ltd	MEAE	2	100.0%	100.0%
Finnish Fund for Industrial Cooperation Ltd (Finnfund)	MFA	2	93.4%	50.1%
Tietokarhu Oy ⁹⁾	MF	2	20.0%	50.1%
Traffic Management Finland Oy	MTC	2	100.0%	100.0%
Veikkaus Ltd	PMO	2	100.0%	100.0%
Finnish Broadcasting Company Ltd	MTC	2	100.0%	100.0%
Total (qty)		32		
All companies (qty)		67		

6) In receivership

7) Ownership steering by Business Finland

8) Ownership steering by the Finnish National Agency for Education

9) State's share of votes 80%

MTC = Ministry of Transport and Communications

MEC = Ministry of Education and Culture, Finland

MSAH = Ministry of Social Affairs and Health

MEAE = Ministry of Economic Affairs and Employment

MFA = Ministry for Foreign Affairs

MF = Ministry of Finance

PMO = Ownership Steering Department IN the Prime Minister's Office

ME = Ministry of the Environment

Company Group 1a: As a shareholder, the State has exclusively, or almost exclusively, a strong investor interest in the company. When control is exercised through ownership, due consideration must be given to the control or influence associated with the State's holdings as well as the owner's risk and involvement in decision-making based on such holdings.

Company Group 1b: Aside from a strong investor interest, the companies in this category involve strategic interests that make it advisable for the State to remain a strong shareholder or take other steps to secure such strategic interests in case its holdings are decreased or relinquished.

Company Group 2: As a shareholder, the State has a special interest in the companies included in this category related to regulation or statutory duties; these companies have a state-defined political or other mission related to business and industry or society, or they play some other special role.

SNELLMANINKATU 1, HELSINKI
PO BOX 23, 00023 GOVERNMENT, FINLAND
valtioneuvosto.fi/en/
julkaisut.valtioneuvosto.fi

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