

# Report on State Annual Accounts 2021

Annex 4 State corporate holdings

PUBLICATIONS OF THE FINNISH GOVERNMENT 2022:55

[vn.fi/en](https://vn.fi/en)



FINNISH  
GOVERNMENT

# Report on State Annual Accounts 2021

## Annex 4 State corporate holdings

**Publication sale**

**Online bookstore  
of the Finnish  
Government**

[vnjulkaisumyynti.fi](http://vnjulkaisumyynti.fi)

**Publication distribution**

**Institutional Repository  
for the Government  
of Finland Valto**

[julkaisut.valtioneuvosto.fi](http://julkaisut.valtioneuvosto.fi)

Finnish Government  
Prime Minister's Office

Copyright Act (404/1961) 9 § Works excluded from protection

ISBN pdf: 978-952-383-732-4  
ISSN pdf: 2490-0966

ISBN print: 978-952-383-716-4  
ISSN print: 2490-0613

Layout: Government Administration Department, Publications

Helsinki 2022

Printed by: PunaMusta Oy, 2022



## Report on State Annual Accounts 2021

## Annex 4 State corporate holdings

---

**Publications of the Finnish Government 2022:55****Publisher** Finnish Government**Group author** Prime Minister's Office**Language** English**Pages**97

---

**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 (715/2003) and sections 17 and 18 of the State Budget Act (4237/1988).

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 2021 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**

reports on State annual accounts, Parliament, access to information, Government, government reports, financial statements, ownership steering

**ISBN PDF** 978-952-383-732-4**ISBN printed** 978-952-383-716-4**ISSN PDF** 2490-0966**ISSN printed** 2490-0613**URN address** <https://urn.fi/URN:ISBN:978-952-383-732-4>

---

## Hallituksen vuosikertomus 2021

## Liite 4 Valtion yhtiöomistus

## Valtioneuvoston julkaisuja 2022:55

**Julkaisija** Valtioneuvosto**Yhteisötekijä** Valtioneuvoston kanslia  
**Kieli** englanti**Sivumäärä** 97

## Tiivistelmä

Valtioneuvosto antaa eduskunnalle hallituksen vuosikertomuksen perustuslain 46 §:ssä säädettyä 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). Säädösten kertomuksen sisältöä määrittävät erityisesti myös valtion talousarviosta annetun asetuksen (1243/1992) vaatimukset. Hallituksen vuosikertomus vuodelta 2021 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** hallituksen vuosikertomukset, eduskunta, tiedonsaanti, valtioneuvosto, hallituksen kertomukset, tilinpäätös, omistajaohjaus**ISBN PDF** 978-952-383-732-4**ISBN painettu** 978-952-383-716-4**ISSN PDF** 2490-0966**ISSN painettu** 2490-0613**Julkaisun osoite** <https://urn.fi/URN:ISBN:978-952-383-732-4>

## Regeringens årsberättelse 2021

### Bilaga 4 Statens bolagsinnehav

---

**Statsrådets publikationer 2022:55****Utgivare** Statsrådet**Utarbetad av** Statsrådets kansli  
**Språk** engelska**Sidantal** 97

---

**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 2021 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

**Nyckelord** regeringens årsberättelser, riksdagen, tillgång till information, statsrådet, regeringens berättelser, bokslut, ägarstyrning**ISBN PDF** 978-952-383-732-4  
**ISBN tryckt** 978-952-383-716-4**ISSN PDF** 2490-0966  
**ISSN tryckt** 2490-0613**URN-adress** <https://urn.fi/URN:ISBN:978-952-383-732-4>

---

# Contents

<b>1</b>	<b>Events during the reporting year .....</b>	<b>8</b>
<b>2</b>	<b>Key ownership figures .....</b>	<b>11</b>
<b>3</b>	<b>Revenue through responsible ownership .....</b>	<b>13</b>
<b>4</b>	<b>Sustainability.....</b>	<b>15</b>
<b>5</b>	<b>The State portfolio in a budget economy.....</b>	<b>24</b>
<b>6</b>	<b>State ownership steering activities .....</b>	<b>26</b>
<b>7</b>	<b>The State's goals as the owner .....</b>	<b>27</b>
<b>8</b>	<b>Board elections and good governance .....</b>	<b>30</b>
<b>9</b>	<b>Remuneration .....</b>	<b>33</b>
<b>10</b>	<b>Basic information on portfolio companies.....</b>	<b>34</b>
<b>11</b>	<b>Value changes in the value of the State's portfolio of listed equities.....</b>	<b>38</b>
11.1	Direct State holdings in listed companies.....	38
11.2	Solidium-held companies.....	41
<b>12</b>	<b>Direct state holdings in listed companies .....</b>	<b>44</b>
	Finnair Plc .....	44
	Fortum Corporation .....	45
	Neste Corporation.....	46
	SSAB AB .....	47
<b>13</b>	<b>Non-listed commercial companies .....</b>	<b>48</b>
	Arctia Ltd .....	48
	Boreal Plant Breeding Ltd .....	49
	Finavia Corporation.....	50
	Fingrid Oyj .....	51
	Finnish Seed Potato Centre Ltd .....	52
	Gasgrid Finland Oy.....	53
	Gasum Corporation.....	54
	Kemijoki Oy .....	55
	Leijona Catering Oy.....	56

Mint of Finland Ltd .....	57
Motiva Oy .....	58
Neova Oy .....	59
Patria Plc .....	60
Posti Group Corporation.....	61
Suomen Lauttaliikenne Oy .....	62
Suomen Viljava Oy .....	63
Tapio Oy .....	64
VR Group Oy .....	65
<b>14 Special assignment companies.....</b>	<b>66</b>
A-Kruunu Oy .....	66
Alko Inc .....	67
Cinia Oy .....	68
CSC-IT Center for Science Ltd.....	69
DigiFinland Oy .....	70
Equine College.....	71
Erillisverkot Group.....	72
FinnHEMS Oy .....	73
Finnish Aviation Academy Ltd.....	74
Finnish Fund for Industrial Cooperation Ltd (Finnfund) .....	75
Finnish Industry Investment Ltd (Tesi).....	76
Finnish Minerals Group.....	77
Finnpilot Pilotage Ltd .....	78
Finnvera Plc .....	79
Governia Oy.....	80
Hansel Ltd .....	81
HAUS Finnish Institute of Public Management.....	82
Ilmastorahasto Oy (Climate Fund) .....	83
Municipality Finance Plc.....	84
Solidium Oy .....	85
STUK International Ltd.....	86
Suomen Kaasuverkko Oy.....	87
Traffic Management Company Fintraffic Ltd .....	88
Veikkaus Ltd.....	89
VTT Technical Research Centre of Finland Ltd .....	90
Yleisradio Oy.....	91
<b>Sources of data and formulae for calculating key financial indicators .....</b>	<b>92</b>
<b>State ownerships and parliamentary mandates 31 December 2021 .....</b>	<b>94</b>



# 1 Events during the reporting year

## **Veikkaus started to prepare for international business**

On 15 January, the Prime Minister's Office authorised Veikkaus Oy to start preparations to create the technical capacity to start a new business between companies. The decision was based on the Government's policy on the permissibility of EU legal framework conditions. In January 2022, Veikkaus set up a subsidiary to sell digital games and related services to international gambling companies.

## **The State supports the proposals of the nomination committees**

In February, the State announced its commitment to support the unanimous proposals of nomination committees at general meetings from 2022 onwards, in line with the Government resolution on ownership policy. The nomination committees' proposals include proposals for board seats and board remuneration. This reinforces good governance practice and aims to ensure sustainable and favourable development of the value of State holdings. The Shareholders' nomination committee is a body composed of the largest shareholders of companies.

## **Suomen Malmijalostus Oy subject to ownership steering by the Prime Minister's Office**

In May, Suomen Malmijalostus Oy was transferred from the Ministry of Economic Affairs and Employment to the Ownership Steering Department of the Prime Minister's Office. The transfer is based on the Government resolution on ownership policy, according to which the separation of ownership and regulation must be further strengthened. The Ownership Steering Department is primarily responsible for the corporate governance of commercial companies.

## **The State doubled its ownership in the Finnish Aviation Academy**

In July, the State of Finland acquired 48.5 per cent of Finnair Plc's shares in the Finnish Aviation Academy Ltd. It now owns 98 per cent of the company. The Finnish Aviation Academy provides training for professional aircraft and helicopter pilots. Well-functioning air connections are vital for Finland's trade and economy, and it is essential to ensure the availability of skilled pilots.

### *The coronavirus pandemic continued to weigh on the portfolio*

The prolonged coronavirus pandemic hit companies for the second year in a row. For this reason, the Government also had to support the nationally significant transport sector in 2021 through decisions made by Parliament. The scheme has been approved by the European Commission's competition authority under the European Union's State Aid rules. The impact of the pandemic was also reflected in the central government's dividend stream.

#### **350 million capitalisation for Finavia**

In the 2021 budget, Parliament allocated EUR 350 million to ensure Finavia's liquidity. The State invested EUR 317 million in the company in March, and the company received EUR 33 million in capital in September. The company required additional capital due to the dramatic changes in air travel brought on by the coronavirus pandemic. Passenger numbers at Finavia's airports were more than 75% lower than before the pandemic, and it is expected to take years for passenger numbers to return to pre-crisis levels.

#### **EUR 400 million loan limit for Finnair**

In spring 2020, Parliament approved a EUR 700 million budget to support Finnair in the wake of the coronavirus pandemic. Approximately EUR 300 million of this amount was spent in 2020. The remaining EUR 400 million was used in 2021, when the Government signed an agreement with the company on 17 March for a EUR 400 million hybrid loan limit. Of this limit, around EUR 350 million became available to Finnair immediately, and around EUR 50 million was subject to separate approval by the Commission later that year.

#### **Revenue from company ownership EUR 2.1 billion**

As an owner, the State received EUR 2.1 (0.9) billion in revenue from its shareholdings in 2021, consisting of dividend income and capital repayments. The return on all stock market holdings was 2.9% (35.4%), which is well below the general market trend.

### SSAB subject to ownership steering by the Prime Minister's Office

Following the approval of the Ministerial Committee on Economic Policy, Solidium's 6.3% ownership and 8.0% voting rights in the steel company SSAB AB were transferred to the State and the ownership steering of the Prime Minister's Office. At the same time, a strategic interest was assigned to the ownership. The State has direct ownership of the strategic interest holdings.

### Anora to Solidium

On 25 November 2021, the Government plenary session decided to transfer the shares of the listed company Anora Group Oyj from the Prime Minister's Office to the ownership and ownership steering of the special assignment company Solidium Oy. The State's holding in Anora is of fiscal interest, with a 19.4% ownership interest.

### Events after the reporting year

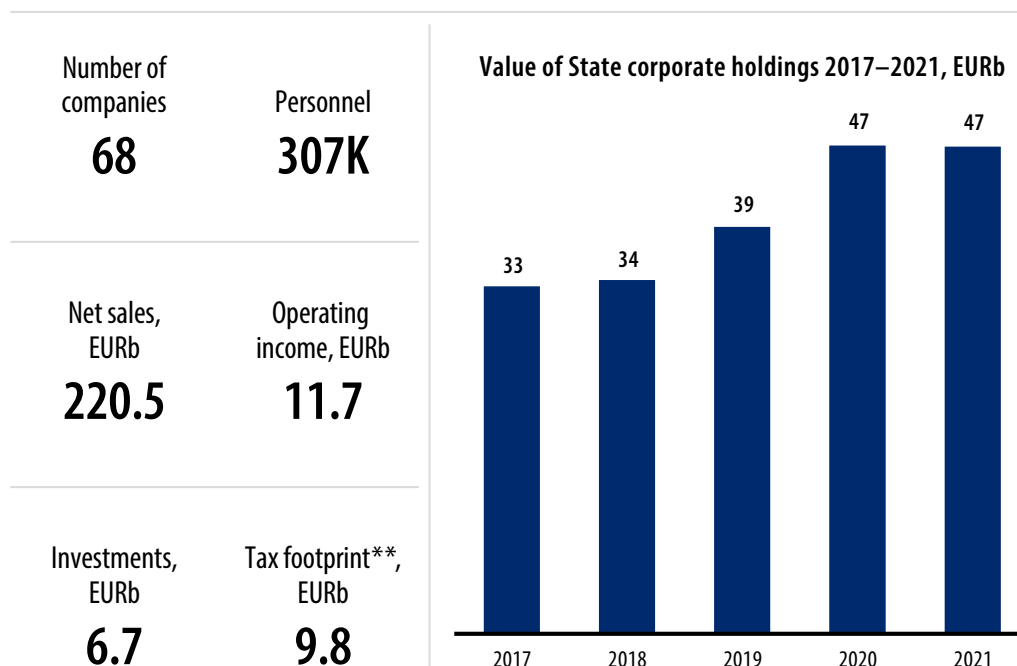
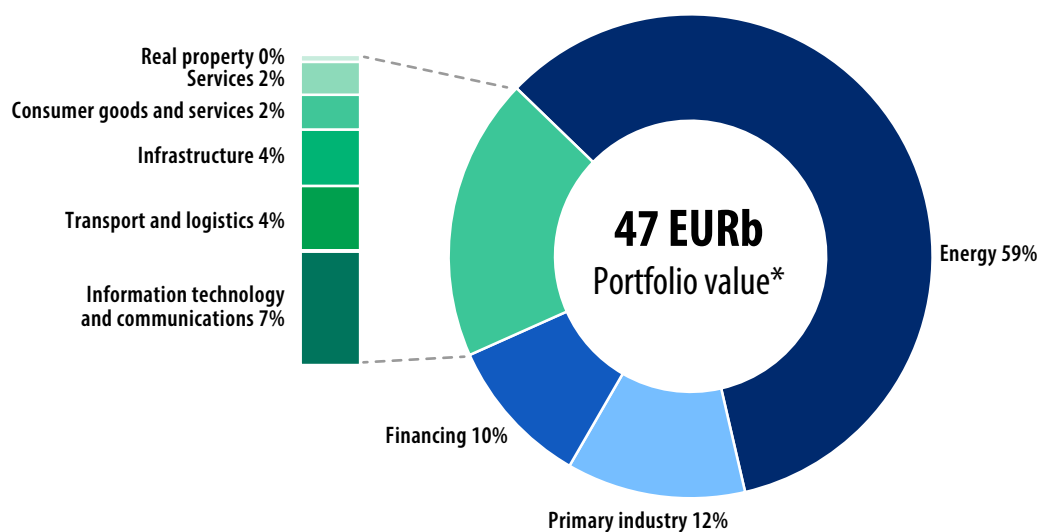
In the first half of 2022, energy prices have continued to rise sharply along the path set in the second half of 2021. At the same time, the gas market, in particular, has witnessed unprecedented and unpredictable volatility in market prices.

The historically unclear global and geopolitical situation is at the root of market uncertainty. Energy prices in Finland have risen less than the euro area average. Still, the impact is critical for the state-owned portfolio's transport, logistics, and energy companies. The state-owner is actively monitoring the situation and discussing it with the companies along with future prospects and possible actions to be taken by the owner in an exceptional situation.

Demand for energy products has increased as the worst of the coronavirus crisis subsides. Still, at the same time, energy production is suffering from the reduction in production capacity that occurred during the pandemic. The unstable geopolitical situation has also contributed to the rise in energy prices. With regard to liquid fuels, the overall picture is similar.

## 2 Key ownership figures

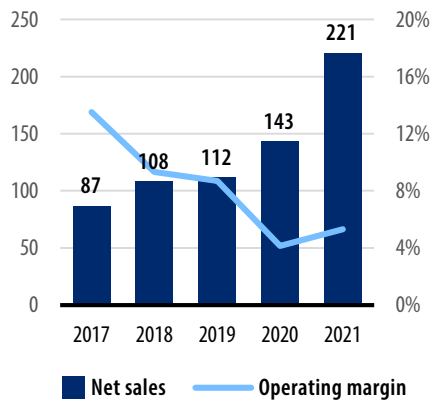
### Breakdown of State ownership by industry in 2021



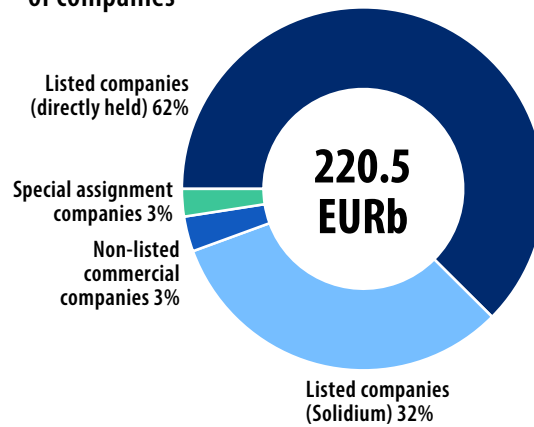
\* At the end of 2021. Listed companies: market capitalisation. Non-listed companies: valuation made by the Ownership Steering Department.

\*\* Tax footprint excludes companies owned by Solidium.

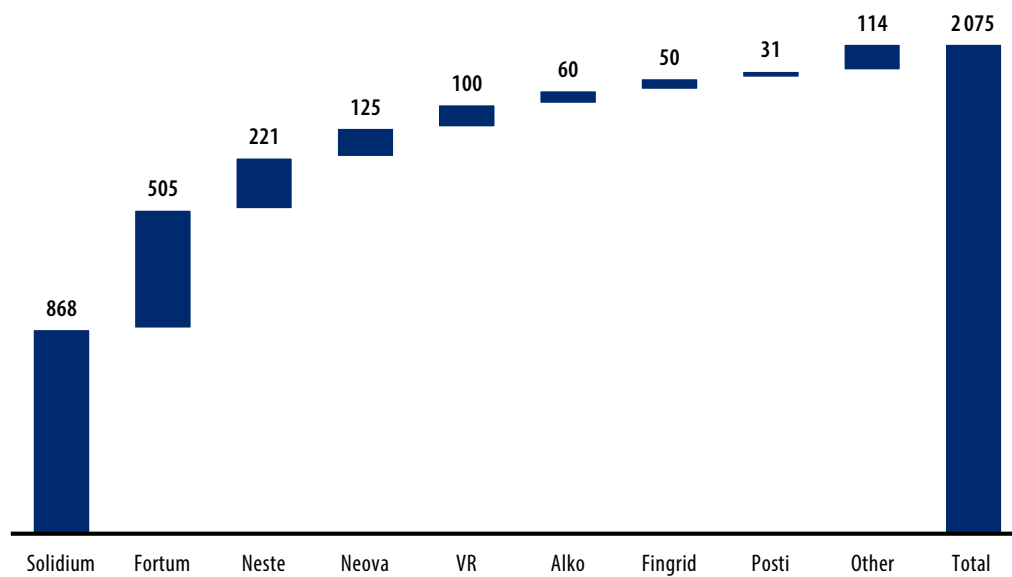
### Turnover and operating profit of State-owned companies, EURb, 2017–2021



### Turnover of State-owned companies by group of companies



### Dividends and share sale proceeds received by the State 2021, on cash basis, EUR million



### 3 Revenue through responsible ownership

The Government's portfolio of companies is part of the budget economy. The State has holdings in more than 60 companies that it owns in whole or in part with other owners. Each year, dividend and capital receipts are entered as income in the state budget, as well as any proceeds from the sale of shares. In recent years, the State's equity and capital income have fluctuated widely. The income recognition is based on the performance of companies in competitive markets and on the State's ownership policy.

In recent years, the State has set up companies by government decisions and capitalised them either directly from the State budget or by using its share capital. This has typically been a case of the State needing to incorporate a social function in order to make it more efficient or secure.

#### **Aiming for a good overall economic and social benefit**

Ownership steering is the function that manages and develops the State's corporate assets. The Ownership Steering Department of the Prime Minister's Office is responsible for the function and development of the ownership steering across the Government and coordinates interministerial cooperation on corporate governance. Day-to-day ownership steering work is subordinate to the ownership policies and decisions of the Government.

As an owner, the State seeks to maximise the overall financial and social benefit in the management of its assets. The financial benefit consists of dividends, capital repayments and any proceeds from the sale of shares. Social benefit refers to the State's requirement for companies to operate sustainably as responsible corporate citizens. To achieve these benefits, the State has divided its holdings based on three types of interests. Companies of financial interest primarily aim to generate revenue for the Budget. In strategic interest companies, state ownership is aimed at securing for the State a particular function or task of national importance. Special assignment companies have a specific task to perform for the State.

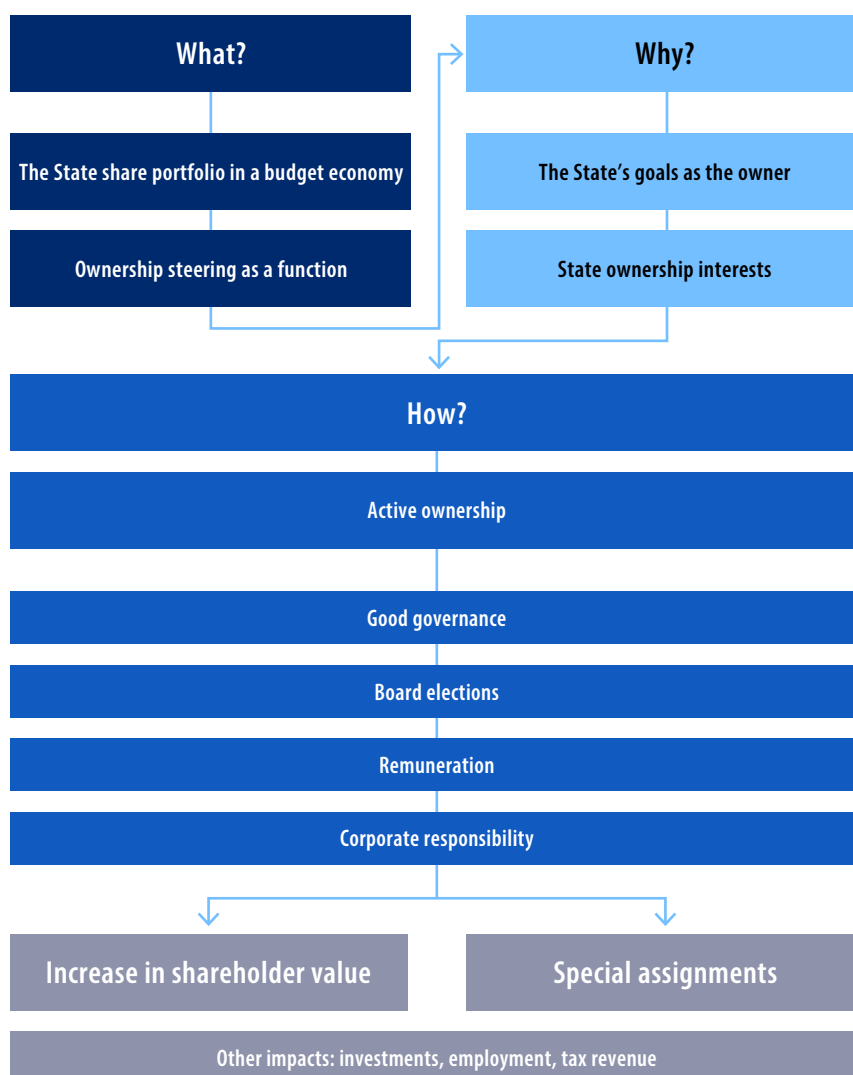
#### **Ownership steering is based on legislation and good governance**

The State is an active owner whose activities are based on legislation and the principles of good governance. The main decision-making body is the General Meeting, where the

State appoints, among other things, the members of the Board of Directors with a power of ownership corresponding to the size of its shareholding. The State requires companies to present remuneration and corporate responsibility reports at General Meetings before a release from liability. At the spring 2022 General Meetings, for the first time, the State requires companies to report on corporate responsibility criteria as part of the remuneration process.

The goal of active and responsible ownership policy and steering is to achieve sustainable growth in shareholder value. This means seeking a steady flow of income from the portfolio to the state budget in euros, as well as a sustainable total return in social terms. The state uses the ownership tools at its disposal, such as ownership policies and board elections, to support companies in achieving these objectives.

**Figure 1.** Model of State ownership steering



## 4 Sustainability

### The State's expectations for sustainability

The ability of companies to address sustainability issues increasingly affects their competitiveness and thus their shareholder value. Therefore, promoting sustainability is an integral part of an active public shareholder's toolbox for increasing and nurturing shareholder value.

The State's expectations for corporate social responsibility are described in the [Government resolution on ownership policy](#), published in 2020. State-owned companies are expected to lead the way in corporate social responsibility and sustainability. As an owner, the State expects companies to integrate sustainability into their business. Companies are expected to identify ESG issues relevant to their business, set measurable, ambitious targets and manage sustainability in a goal-oriented way. Companies will be required to report at general meetings on achieving objectives, the measures taken and the targets for the coming years.

The State expects companies to follow internationally recognised CSR conventions and principles (e.g. [OECD Guidelines for Multinational Enterprises](#), the UN [Global Compact initiative](#) and [the UN Guiding Principles on Business and Human Rights](#)) as appropriate to the company.

Companies must take human rights into account both in their operations and their supply chain. Companies should take into account the UN Guiding Principles on Business and Human Rights, which require companies to carry out due diligence to ensure that their activities do not violate human rights. Companies must also prepare an anti-corruption policy and reporting model appropriate to their operations if one is not already in place.



### ***Whistleblowing channel introduced in companies***

Employees and other stakeholders must have a reliable way to bring to management's attention any human rights violations and other perceived grievances or abuses. To this end, state-owned companies should have an anonymous whistleblowing channel or similar system in place.

All companies managed by the Prime Minister's Office have a whistleblowing or similar reporting channel in place.

Companies will have to assess the impact of their own business on climate, the environment and biodiversity and set related targets that are measurable and, at the same time, ambitious compared to similar companies. State-owned companies are required to take into account the Paris Climate Agreement's target to limit global warming to 1.5 degrees Celsius, as well as the goal of a carbon-neutral Finland by 2035. These targets must be achieved in a socially responsible way and in a way that strengthens sustainable competitiveness.

Companies must identify the risks and opportunities related to sustainability in their business, both in their own operations and in their value chain. Risks related to sustainability should be integrated into the risk management system.

The most typical of these risks in the Government's portfolio are greenhouse gas emissions and other risks related to climate change and customer relations. So far, relatively few risks related to biodiversity have been identified. Business opportunities from sustainability include reducing the emissions burden of a company's own operations or the value chain and human resources issues such as employee relations, skills and satisfaction.

### **Implementing sustainability in the portfolio**

The main ways the public owner promotes sustainability are through board elections, general meetings and dialogue with companies.

The decision-making body central for ownership steering is the company's board of directors. The State, as an owner, regularly analyses the composition of the company's board of directors in relation to the company's strategy and future prospects and draws conclusions on whether the composition is appropriate. As part of this evaluation, an

analysis is made of whether the board has the level of sustainability expertise that the company needs in terms of challenges and opportunities.

At the general meeting, state-owned companies report to shareholders on their corporate responsibility objectives and their attainment. Topics related to corporate responsibility are also discussed regularly in meetings between companies and representatives of the State.

The Ownership Steering Department of the Prime Minister's Office has set up a Corporate Responsibility Team to focus on the development and coordination of sustainability issues. In 2021, a training session was organised with Aalto University Executive Education for all public officials of the Government's ownership steering functions to develop sustainability skills.

### Monitoring and analysis of the portfolio's sustainability

Sustainability is integrated into the State's ownership steering activities and monitored and analysed as part of other strategic ownership work. In this way, the assessment of the materiality and impact of ESG issues is integrated with other financial and strategic analyses of companies.

In addition to financial data, the Ownership Steering Department also collects and analyses ESG data from various sources, such as sustainability reports annually. The reported data is used to monitor and analyse which sustainability issues are relevant to the company's business and how they affect the company's performance. The Ownership Steering Department also monitors how companies comply with the Government resolution on ownership policy and develop their operations accordingly.

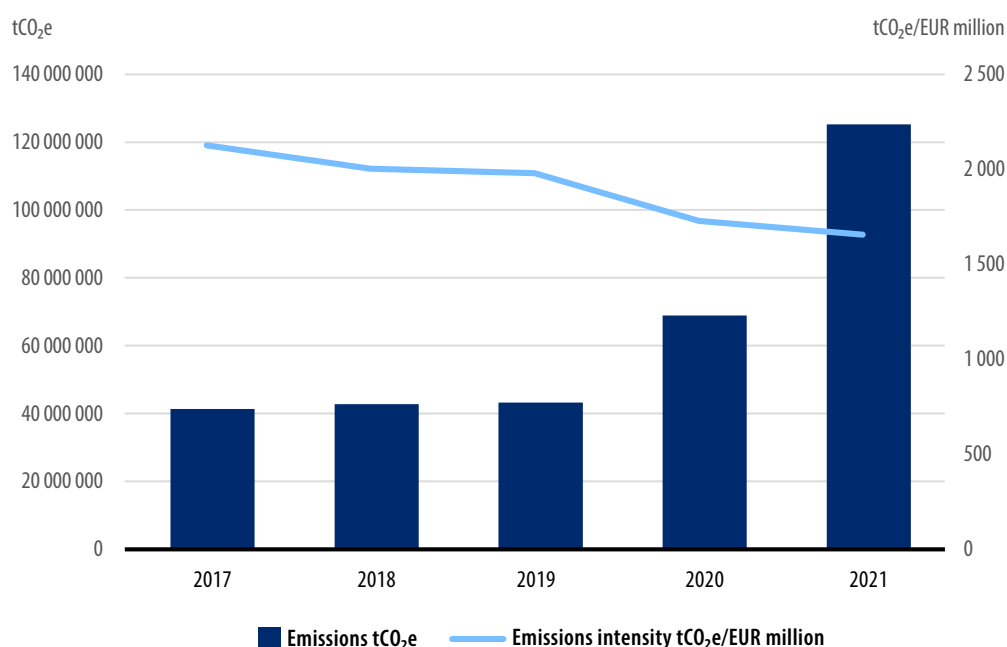
For the owner, it is particularly important to have an overview of the impact of sustainability on shareholder value: for example, what business risks and opportunities have been identified by companies, the level of sustainability management in the company and how sustainability is reflected in the strategy. Based on the sustainability data and corporate sustainability reporting, the state-owner draws conclusions on what sustainability issues are relevant to the success of the company in question, whether sustainability is sufficiently integrated into the company's strategy and objectives, and whether it is performing its sustainability responsibilities and objectives as required by the owner. The owner integrates these conclusions into the ownership strategy of each company.

Information related to sustainability is collected regularly on, for example, the sustainability targets and indicators, as well as social responsibility indicators such as

accident frequency, sick leave, job satisfaction and customer satisfaction. Companies are also required to report on both their direct and indirect emissions under the Greenhouse Gas Protocol (i.e. Scopes 1, 2 and 3).

In 2021, 62% of state-owned companies reported emissions to the State as the owner. The carbon footprint of these companies was 126 million tonnes of CO<sub>2</sub>e<sup>1</sup> in 2021. In the future, ownership steering will regularly monitor the total emissions of the portfolio and the development of emissions reporting coverage.

**Figure 2.** Total emissions and emissions intensity of the most emitting SOEs in 2017–2021.



A comparison was made in the ownership steering of how the emissions of the 10 state-owned companies reporting the highest emissions<sup>2</sup> in 2021 have evolved between 2017 and 2021. Total emissions in the period under review is increased by combining Uniper's emissions with Fortum's emission figures in 2020 and 2021. However, emissions intensity has decreased over the period under review.

<sup>1</sup> calculated on the basis of State ownership. Scope 1,2,3 emissions as reported by companies. The level of emissions reporting varies from company to company.

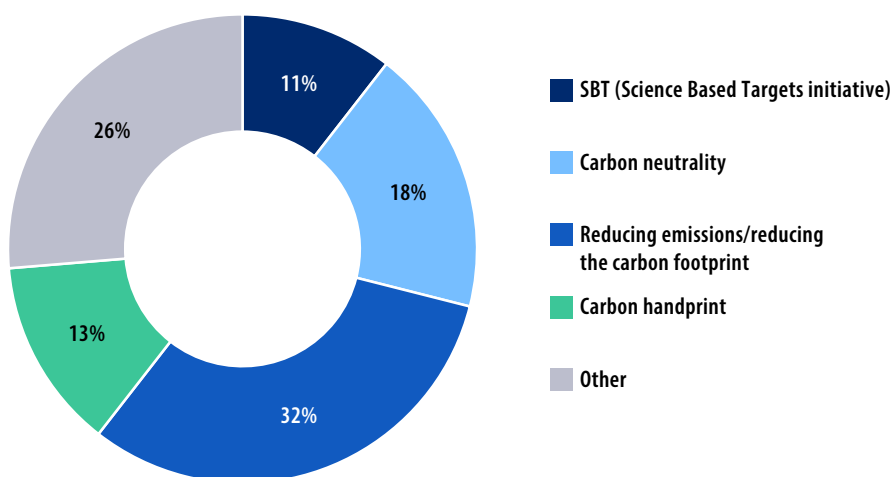
<sup>2</sup> on the basis of State ownership

### ***The carbon handprint indicates the amount of emission reductions***

While measuring the carbon footprint focuses on the negative emissions impact of a product or service, the carbon handprint describes how much a solution reduces emissions. The carbon handprint refers to the climate benefits of a product or service, i.e. the potential for emission reductions for the user, for example, the customer, compared to another product or service on the market. A lower emission solution enables the customer to reduce their own carbon footprint.

Neste's goal is to reduce its customers' greenhouse gas emissions by at least 20 million tonnes of CO<sub>2</sub>e annually by 2030 through renewable and circular economy solutions. In 2021, Neste's customers reduced their greenhouse gas emissions by 10.9 million tonnes through the use of the company's products. These emission reductions, achieved through Neste's renewable and circular economy solutions, are more than twice the annual emissions from the company's fossil and renewable refinery operations and logistics operations combined.

Most of the climate change targets of state-owned companies are related to reducing emissions or carbon footprints. Around one-fifth of the companies under the ownership steering of the Prime Minister's Office have set a carbon neutrality target. The coverage of carbon neutrality targets varies from company to company. The climate targets of four companies under the ownership steering of the Prime Minister's Office have either been adopted by the Science Based Targets (SBT) climate initiative or have been committed by the companies.

**Figure 3.** Climate targets for state-owned companies

### Sustainability in remuneration

One of the key tools for embedding responsibility in state-owned companies is that the state owner expects companies to integrate sustainability into their remuneration. Linking sustainability to corporate remuneration is also effective in terms of governance. For wholly state-owned companies providing essential basic services for citizens, the remuneration criteria should also include indicators measuring customer satisfaction and the quality and availability of services.

The remuneration schemes of state-owned companies include sustainability objectives relating to, for example, safety at work, staff and customer satisfaction, emission reduction and other environmental impacts.

### ***Compulsory identification to prevent problem gambling***

In 2021, Veikkaus extended the mandatory authentication for gambling. In addition to digital gambling, authentication is now required to play slot machines and table games, among others.

By requiring authentication in all its games in stages, Veikkaus aims to prevent gambling problems and, at the same time, strengthen age verification. When games are only available for play with authentication, players can set their own limits or bans and keep track of their play.

### Sustainable development goals for state-owned companies

In order to increase shareholder value, it is important for the state owner that sustainability issues are strongly integrated into the companies' strategies. It is important for the state-owned company that its strategies also contribute to the [UN Sustainable Development Goals \(SDGs\)](#). The most common UN SDGs for SOEs are Decent Work and Economic Growth (SDG 8), Sustainable Industry, Innovation and Infrastructure (SDG 9), Responsible Consumption and Production (SDG 12), Climate Action (SDG 13) and Partnership (SDG 17).

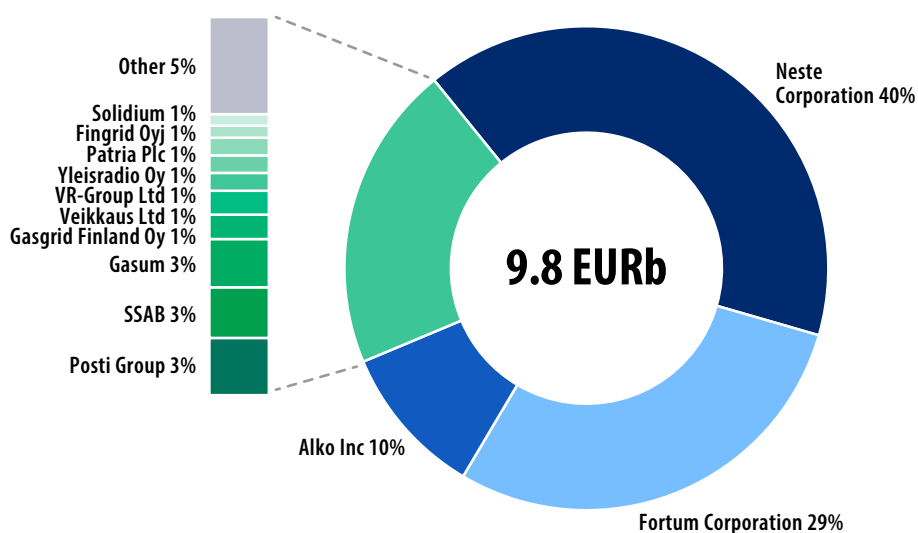
**Figure 4.** Most commonly used Sustainable Development Goals (SDGs) in state-owned companies



### Tax footprint

Transparent tax reporting is an essential part of corporate responsibility, and the state-owner requires companies to report their tax footprint on a country-by-country basis so that the tax liability of their activities can be assessed. As a rule, taxes are to be paid to the country where the profits of the business activities are generated.

The Government resolution on ownership policy states that aggressive tax planning is not allowed. Minimisation of taxes through the use of tax havens, for instance, is unacceptable. In 2021, the total tax footprint of all directly State owned companies was EUR 9.8 (8.6) billion. The total amount paid to Finland was around EUR 6.2 (6.1) billion.

**Figure 5.** Breakdown of companies by taxes paid and credited\*.

\* SSAB does not report a tax footprint. The figure in the graph refers to SSAB's 2021 corporate income tax.

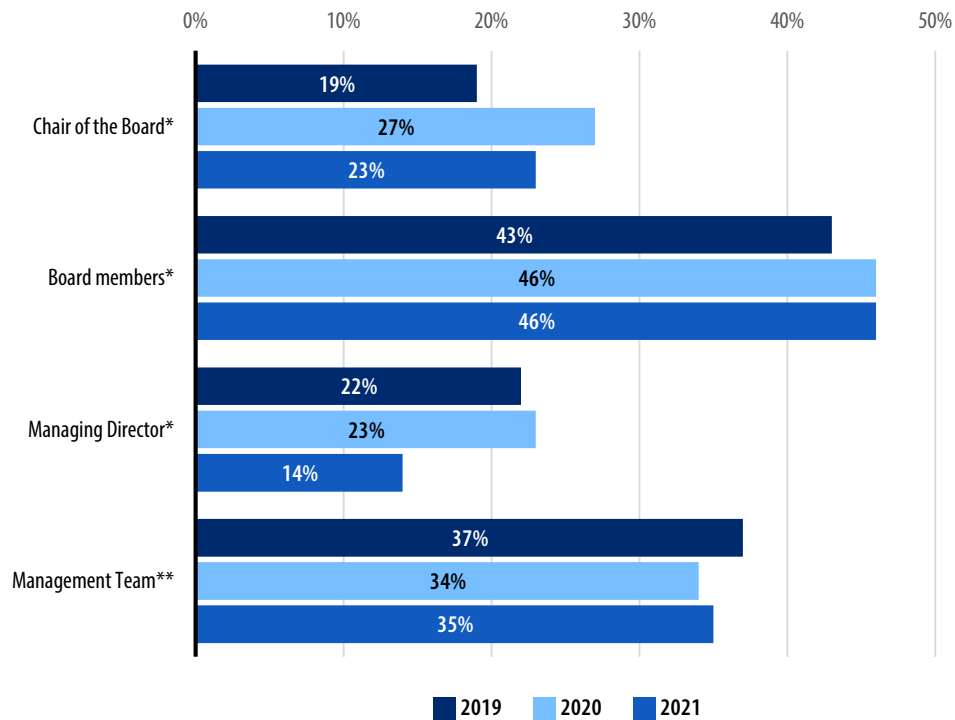
### Aiming for gender balance on boards of directors

In selecting board members, attention is paid to the diversity of boards, corporate responsibility skills and the need for international business expertise. In line with the equality objectives set by the Government, the State will ensure that the composition of the Boards is also sufficiently gender-balanced. As an owner, the State's objective is that neither gender should have less than 40% of the State's board appointments.

In 2021, 202 (184) board members were appointed to companies subject to ownership steering by the Prime Minister's Office, of which 168 (158) were appointed by the State. Of these, 33 (31) were new members.

In 2021, the share of women in the government-appointed board members remained at 46 (46) %. The share of women among board chairs fell to 23 (27) %. Solidium Oy is active in the nomination committees of its portfolio companies and is not included in the above figures.

In state-owned companies, the percentage of women in management teams has remained relatively stable at 35% in 2021, while the percentage of women in CEO positions has fallen to 14% over three years. The comparison of management teams and CEOs included all state-owned companies except Solidium.

**Figure 6.** Percentage of women on boards and in senior management of state-owned companies 2019–2021

\* Comparison includes companies (N=26 in 2021) on whose boards the Prime Minister's Office has the power to appoint members

\*\* Comparison includes all state-owned companies (N=50 in 2021) excluding Solidium portfolio companies



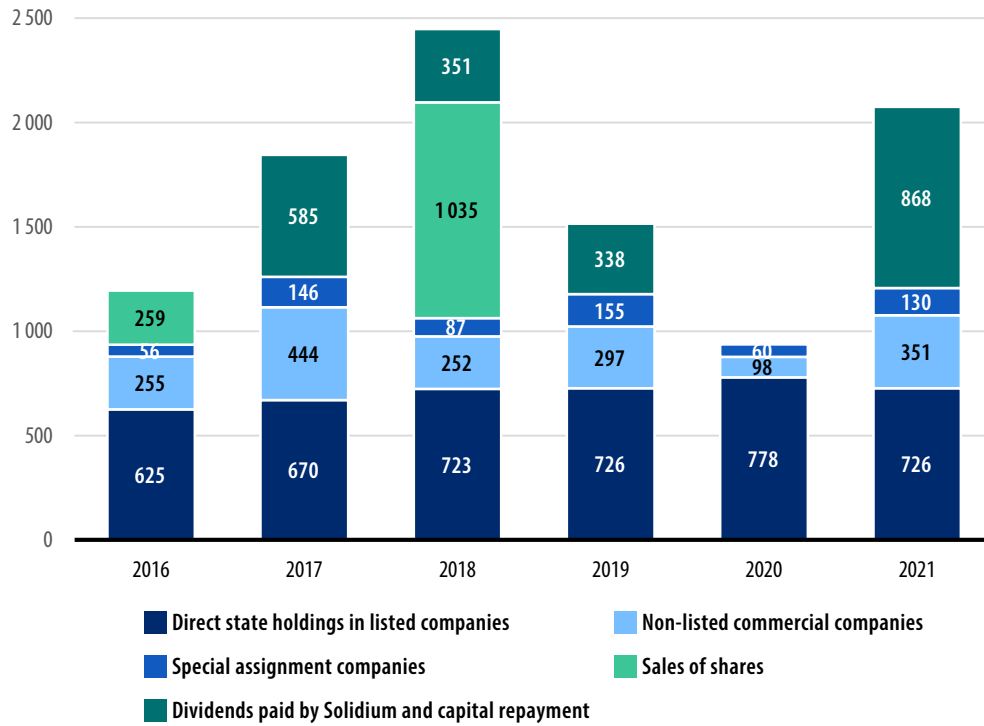
## 5 The State portfolio in a budget economy

At the end of 2021, the state's corporate ownership was divided into 68 companies, of which 35 were commercial companies and 33 were special assignment companies. The Ownership Steering Department of the Prime Minister's Office is mainly responsible for the ownership steering of commercial companies and certain special assignment companies, while other ministries are responsible for the ownership steering of other special assignment companies. In line with the Government resolution on ownership policy, corporate governance will continue to be centralised in the Ownership Steering Department of the Prime Minister's Office. The wholly state-owned investment company Solidium Oy is responsible for the ownership steering of twelve listed companies where the State has a minority interest.

At the end of 2021, the total value of all State holdings was around EUR 46.7 (46.8) billion. The share of direct holdings, including Ilmastorahasto Oy, was EUR 27.7 (29.7) billion. The value of Solidium Oy's holdings amounted to EUR 9.0 (7.6) billion. The total value of unlisted company holdings according to the ownership steering valuation at the end of the year was EUR 10.1 (9.5) billion.

Each year, the State's portfolio of companies is transferred to the state budget according to the amount of dividend income and capital repayments paid by the companies. In 2021, the State received a total of EUR 2.1 (0.9) billion in dividends and capital repayments from its holdings. The Prime Minister's Office received EUR 1.9 (0.8) billion in dividend income and capital repayments in the reporting year, of which EUR 0.7 billion from directly owned listed companies and EUR 0.9 billion from dividends and capital repayments paid by Solidium. The return on all listed companies was 2.9% (35.4%), and the return on directly owned listed companies was -4.6% (46.0%).

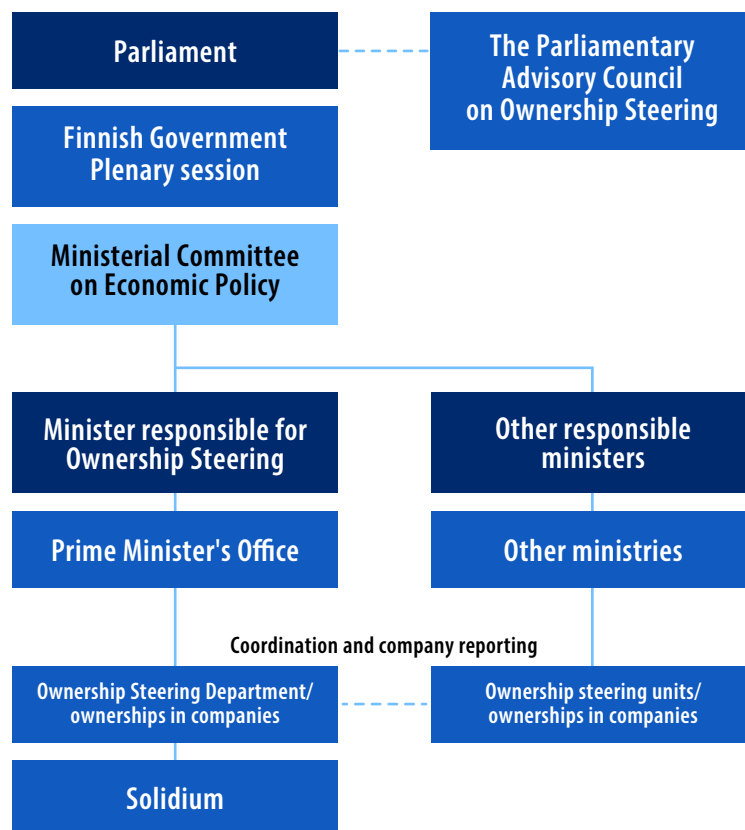
The total turnover of all state-owned and Solidium-owned companies in 2021 was approximately EUR 221 (143) billion, employing a total of 307,000 (313,500) thousand workers.

**Figure 7.** Dividends and share sale proceeds received by the State, on cash basis, EUR million

## 6 State ownership steering activities

The decision-making powers in ownership steering are exercised by Parliament. All decisions on incorporation including acquisitions and divestments are made by the Government plenary session. Issues related to ownership policy and steering are addressed by the Ministerial Committee on Economic Policy. The Ownership Steering Department of the Prime Minister's Office is responsible for corporate governance policies for the entire portfolio of State-owned companies at the level of the Government. The Prime Minister's Office primarily manages the ownership steering of commercial companies, while the ownership steering of special assignment companies is mainly the responsibility of other ministries.

**Figure 8.** State-ownership steering governance model



## 7 The State's goals as the owner

In managing corporate property, the State seeks the best possible overall social and economic return. The State requires responsible business practices.

The social result comes from the fact that the State takes into account the social, regional and environmental impacts of companies in its ownership policy and management, and that special assignments are carried out successfully. State-owned companies are expected to act responsibly, and their responsible business practices are seen as part of their social performance.

### **Aiming for profitable growth and increased shareholder value**

The financial performance of companies consists of the development of their long-term value and the distribution of profits. The aim is to build profitable growth and increase shareholder value over the long term. Corporate wealth brings revenue to the State budget. The State owner requires a predictable dividend policy that takes into account both the financial needs of the company and the interests of the owner. The State's dividend policy is based on a comparable balance sheet structure in the industry, a relatively steady dividend stream and a reasonable net gearing ratio.

The strategic ownership objectives of the State-owner are to secure security of supply and critical infrastructure, strengthen domestic ownership, diversify the economic structure, support research, development and innovation through ownership and promote sustainable structural change.

### **Aiming to be a forerunner in digitalisation and a carbon-neutral circular economy**

The State also aims to promote knowledge-based and sustainable productivity growth, for example by ensuring that State-owned companies are at the forefront of research, development and innovation. The State expects companies to take the lead from their own starting points, for example in using digitalisation and moving towards a carbon-neutral circular economy. As a long-term owner, the State has the capacity in its companies to invest in future businesses and manage risk-taking when private capital is not fully effective.

The State manages its corporate interests by reconciling its own strategic objectives with legal requirements and the rights of other shareholders.

### State ownership interests

State ownership of a company is based on a strategic interest, a financial interest or the performance of a special assignment in the form of a company.

Strategic interests may relate to national defence, the security of supply, the maintenance of infrastructure, or the obligation to provide basic services. Such companies are, for example, Patria, Fortum, Finavia and Posti.

Special assignment companies have an economic, social or other special role defined by the State. Such companies include Alko, Veikkaus and VTT Technical Research Centre of Finland.

Finance interest, on the other hand, means that the State as owner has exclusively or almost exclusively a strong investor interest. Such companies include, for example, several listed companies in which the State is a shareholder through Solidium. Holdings in listed companies with a strategic interest are directly owned by the Prime Minister's Office.

Special  
assignment

Strategic  
interest

Finance  
interest

Company-specific interests have a significant impact on the State ownership targets set for individual companies. For example, when setting targets for special assignment companies, the nature and cost of the special assignment is taken into account. Efficiency in the deployment of company balance sheets and the potential for disbursements to the State are assessed in light of these considerations. Special assignment companies must not distort competition in their field of activity, which will be of particular concern if the special assignment company expands its activities.

***Defence Forces' food supply as a strategic task***

Leijona Catering Oy is a company specialising in catering services, all shares in which are owned by the State. Leijona Catering provides catering services for the Defence Forces by providing meals for conscripts, for example. In addition, the company's business activities include catering and canteen services in prisons of the Criminal Sanctions Agency and restaurant operations at other safety-critical and central government sites.

The State owns Leijona Catering for strategic reasons: to safeguard the operations of the Defence Forces by providing catering services in all circumstances. When the State-owner assesses the performance of Leijona Catering, it looks at how well the company has fulfilled its special strategic assignment, alongside the financial perspective.

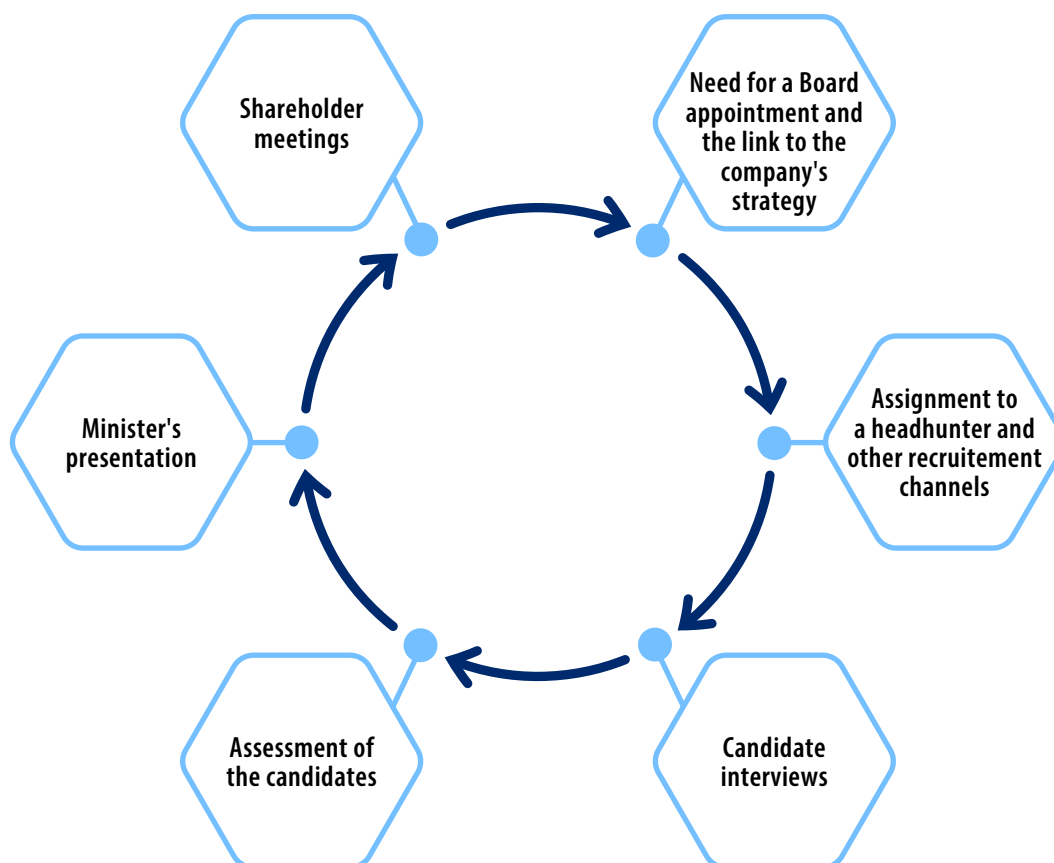
## 8 Board elections and good governance

The decision-making body central for ownership steering is the company's board of directors. The election of company board members is an essential part of the implementation of the State's company-specific ownership strategies.

Board elections ensure that the people selected understand and are committed to both the general principles of State ownership and the company's strategic objectives. When selecting board members, attention is paid to board diversity and corporate responsibility and business skills. The aim is to strengthen companies' understanding of their operating environment and how it is changing, thereby ensuring sustainable shareholder value.

Board members are selected on the basis of the candidate's experience and expertise, the company's strategic situation, ensuring the Board's ability to cooperate and diverse expertise, and compliance with the equality objectives set by the Government. The State ensures that the composition of the Boards is also sufficiently gender-balanced.

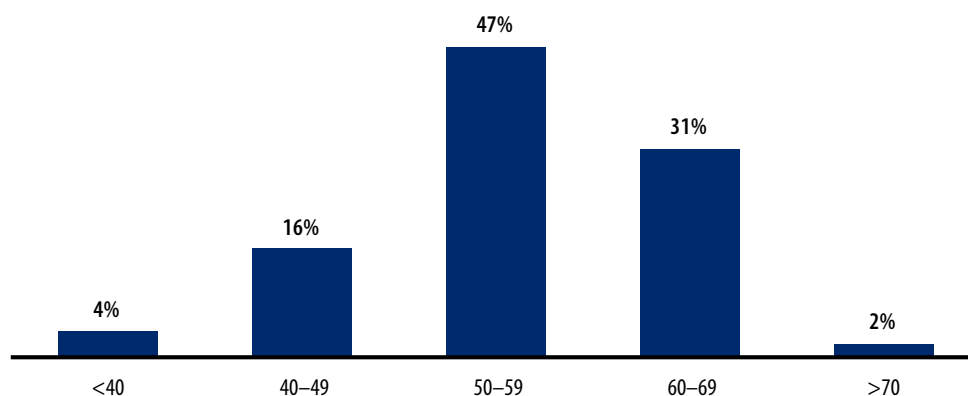
The aim is for board members elected on a proposal from the State to serve terms of between five and seven years. Deviations from this objective may be made if required by the company's strategy, changes in the business environment or the skills or diversity of the Board of Directors.

**Figure 9.** Planning cycle of board election

The Ownership Steering Department is responsible for the selection process of board members appointed by the State in companies that are under the ownership steering of the Prime Minister's Office. The selection process for board members of companies controlled by other ministries is handled by the ministry responsible. In listed companies, the nomination committee proposes the members of the Board of Directors to the General Meeting.

In 2021, 202 (184) board members were appointed to companies subject to ownership steering by the Prime Minister's Office, of which 168 (158) were appointed by the State. Of these, 33 (31) were new members. In 2021, the share of women in the government-appointed board members will remain at 46 (46) %. The share of women among board chairs fell to 23 (27) %. Solidium Oy is active in the nomination committees of its portfolio companies and is not included in the above figures.



**Figure 10.** Age distribution of board members in companies controlled by the Prime Minister's Office (N=202)

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 total number of board positions available or the number of members that the State is authorised to appoint under shareholder agreements.

### Good governance principle

The State owner expects companies to act in accordance with good governance and, where applicable, in the manner required by the Corporate Governance Code. The owner bases its actions on the law and good governance, the basic principles of which are:

1. The owner exercises supreme decision-making power at the General Meeting
2. The owner appoints the company's board of directors and the board appoints the executive management
3. When a company has shareholders other than the State, the State acts in proportion to the decision-making power conferred by the size of the shareholding
4. The owner, the board of directors and the executive management each have their own rights and obligations
5. The owner does not run the company but the ownership
6. The State is responsible for the owner's affairs, the operational business affairs are the responsibility of the company
7. The company's Board of Directors is responsible for ensuring that the company's administration and management are properly organised
8. If the State is the sole owner of the company, it is closer to the company than in a company with dispersed ownership
9. The Board of Directors is responsible for the remuneration of the company
10. The company's Board of Directors reports to the owner with a low threshold

## 9 Remuneration

The State owner sets out its approach to remuneration in the Government resolution on ownership policy. Remuneration is decided by the company's Board of Directors and is aimed at increasing the value of the company and shareholder value. To operate in a competitive market, companies must be able to hire management and staff on competitive terms, and State ownership must not affect competitive neutrality. As a shareholder, the State requires companies to report on remuneration policy and variable remuneration at AGMs. The owner expects companies to integrate corporate responsibility into their remuneration and at the spring 2022 General Meetings, portfolio companies will be required to report on corporate responsibility criteria as part of this.

The reporting year continued to be exceptional due to the prolonged coronavirus epidemic. The effects of the coronavirus crisis on management and staff remuneration continued, but were very company-specific. On the whole, the overall level of remuneration applied by state-owned companies is consistent with general market practices in Finland. Total remuneration paid to chief executive officers (CEOs) was typically either close to the median or below it. The total remuneration paid to management teams was similar.

### ***ESG target in Fortum's long-term incentive programme***

Fortum's long-term incentive programme consists of three-year incentive periods to be launched annually. For the first time, Fortum introduced an environmental, social and good governance (ESG) target in the 2020–2022 incentive period. The ESG target for the period relates to Fortum's efforts to reduce carbon dioxide emissions and coal-fired power generation in line with Fortum's strategy.

## 10 Basic information on portfolio companies

**Table 1.** 2021 key figures of directly State owned listed companies

Listed companies (directly held)	Net sales (EUR M)	Operating income (EUR M)	Operating income %	Total assets (EUR M)	Equity ratio, %	Gearing, %	Return on equity, %	Return on investment, %
Finnair	838.4	-454.4	-54	4,047.1	12	322	-68	-14
Fortum	112,400.0	-588.0	-1	149,661.0	9	70	6	-0
Neste	15,148.0	2,023.0	13	12,417.0	56	1	27	25
SSAB	9,301.4	1,827.2	20	10,865.8	66	-2	23	27

**Table 2.** Key indicators for non-listed commercial companies in 2021

Non-listed commercial companies	Net sales (EUR M)	Operating income (EUR M)	Operating income %	Total assets (EUR M)	Equity ratio, %	Gearing, %	Return on equity, %	Return on investment, %
Arctia	71.2	0.2	0	265.1	53	53	-0	0
Boreal Plant Breeding	8.6	0.2	2	11.3	66	-15	3	2
Finavia Corporation	145.4	-130.7	-90	1,591.8	45	87	-23	-9
Fingrid	1,090.9	210.8	19	2,559.5	25	145	23	12
Finnish Seed Potato Centre	3.6	0.2	6	3.3	73	21	9	7
Gasgrid Finland	130.6	67.0	51	390.1	63	26	18	19
Gasum	1,571.0	-238.5	-15	2,420.7	18	101	-55	-18
Kemijoki	49.6	5.3	11	494.1	10	820	2	1
Leijona Catering	79.0	4.1	5	25.1	69	-62	18	23
Mint of Finland Ltd	83.0	5.6	7	44.6	58	43	19	13
Motiva	7.8	0.7	9	5.1	58	-68	22	26
Neova	514.6	511.2	99	780.9	55	3	182	92

Non-listed commercial companies	Net sales (EUR M)	Operating income (EUR M)	Operating income %	Total assets (EUR M)	Equity ratio, %	Gearing, %	Return on equity, %	Return on investment, %
Patria Plc	547.7	61.2	11	765.0	41	50	23	14
Posti Group	1,595.0	55.0	3	1,242.5	40	30	-3	7
Suomen Lauttaliikenne	58.7	10.8	18	77.0	71	3	17	19
Suomen Viljava	19.5	4.2	22	32.3	60	55	17	15
Tapio	13.5	1.3	10	15.8	65	-44	12	14
VR-Group Ltd	838.3	-22.7	-3	1,937.8	66	19	-1	-1

Table 3. Key indicators for special assignment companies in 2021

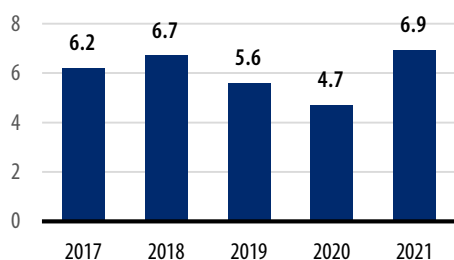
Special assignment companies	Net sales (EUR M)	Operating income (EUR M)	Operating income %	Total assets (EUR M)	Equity ratio, %	Gearing, %	Return on equity, %	Return on investment, %
A-Kruunu	15.7	6.8	43	469.4	12	650	0	2
Alko	1,290.3	67.6	5	291.9	38	-142	52	49
Cinia	75.6	7.6	10	147.7	41	60	11	8
Climate fund	0.0	-3.3		2,897.5	91	-5	1	2
CSC – IT Center for Science	56.4	1.3	2	48.0	41	-201	11	16
DigiFinland	17.3	-1.3	-8	15.9	81	-98	-3	-3
Equine College	8.0	-0.1	-1	4.8	72	-73	-3	-3
Erillisverkot Group	109.0	11.9	11	273.1	87	-6	4	5
FinnHEMS	29.1	0.3	1	30.3	79	-61	1	1
Finnish Aviation Academy	10.0	0.7	7	20.9	93	-40	4	4
Finnish Fund for Industrial Cooperation (Finnfund)	0.0	-12.5		800.8	37	123	-4	4

Nordic Morning/Edita figures or a company page have not been included in the report on the State annual accounts, as audited figures for 2021 were not available at the time the report was prepared.

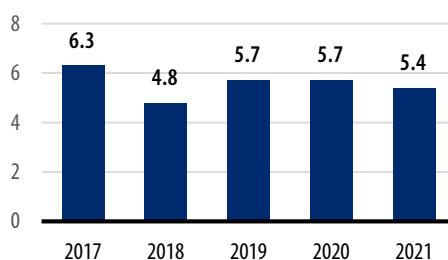
Special assignment companies	Net sales (EUR M)	Operating income (EUR M)	Operating income %	Total assets (EUR M)	Equity ratio, %	Gearing, %	Return on equity, %	Return on investment, %
Finnish Industry Investment (Tesi)	410.6	418.8	102	1,889.9	93	-29	21	26
Finnish Minerals Group	378.5	-29.0	-8	1,114.3	44	30	-10	-5
Finnish Railway	0.0	-1.0		1.5	93	-86	-71	-71
Finnpilot Pilotage	35.2	-1.2	-3	23.2	57	-26	-6	-9
Finnvera	409.5	164.0	40	12,219.8	19	1,200	19	2
Governia	21.1	4.7	22	456.0	34	158	4	2
Hansel	12.3	-1.5	-12	26.7	25	-184	-17	-17
HAUS Finnish Institute of Public Management	8.4	1.1	13	6.2	69	-176	44	50
Municipality Finance	535.0	239.7	45	46,360.1	13		11	
Solidium	0.0	-4.4		9,594.0	91			
STUK International	0.0	-0.2		0.8	99	-100	-56	-25
Traffic Management Company Fintraffic	209.7	6.1	3	278.9	60	23	3	3
Turku One Hour Train Ltd	0.0	-0.7		15.9	62	-122	-7	-7
Veikkaus	1,100.1	680.4	62	1,003.4	84	-17	82	82
VTT Technical Research Centre of Finland	153.7	16.5	11	295.7	62	-73	7	10
Yleisradio	499.9	-5.6	-1	372.0	37	24	-4	-3

**Figure 11.** Key figures of non-listed companies 2017–2021**Net sales, EURb**

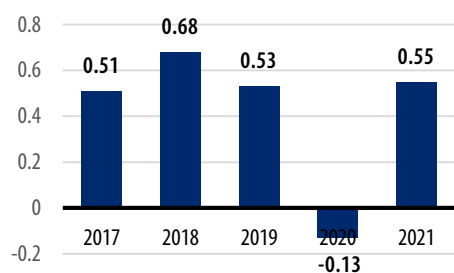
Non-listed commercial companies



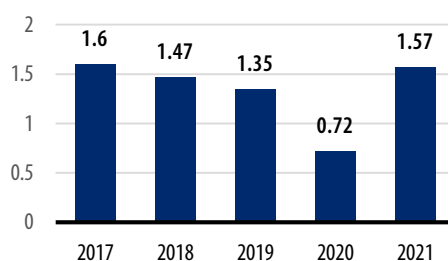
Special assignment companies

**Operating income, EURb**

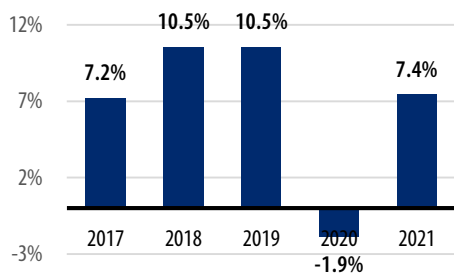
Non-listed commercial companies



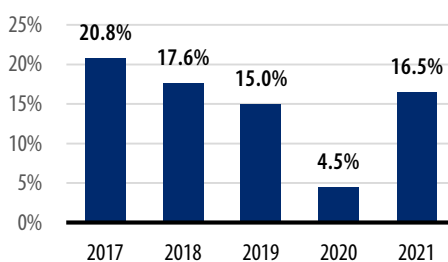
Special assignment companies

**Return on equity, %**

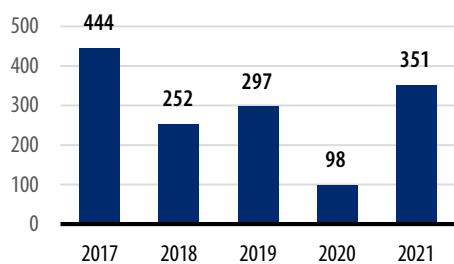
Non-listed commercial companies



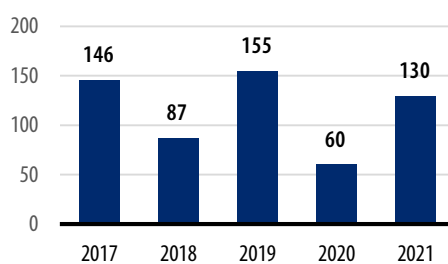
Special assignment companies

**Profit distribution received by the State and proceeds from sale of shares on a cash basis, EUR million**

Non-listed commercial companies



Special assignment companies



Special assignment companies in this case do not include Solidium as it is treated separately. The historical figures are not fully comparable to 2021, for example due to changes in reporting practices and company classifications. Pro forma figures were used in the calculation of return on equity.

## 11 Value changes in the State's portfolio of listed equities

### 11.1 Direct State holdings in listed companies

The market value of the stock exchange portfolio directly owned by the State was EUR 27.7<sup>3</sup>(29.9<sup>4</sup>) billion at the end of 2021. Taking into account Solidium's holdings, the total market value of the portfolio was EUR 36.7 (37.4) billion. The market value of the State's direct holdings was mainly weighed down by the fall in Neste's share price. The market value of Neste's ownership decreased by 27% to EUR 14.7 (20.1) billion. Finnair's market value also fell by 21% to EUR 468 (596) million. By contrast, Fortum's market value increased by 37% to EUR 12.2 (8.9) billion.

In 2021, SSAB's 6.3% ownership was transferred from Solidium to the Prime Minister's Office and Anora Group's 19.4% ownership from the Prime Minister's Office to Solidium. Otherwise, there were no changes in the structure or ownership of the directly owned stock market portfolio. At the end of the year, the state owned 50.8% of Fortum, 55.9% of Finnair, 44.2%<sup>5</sup> of Neste and 6.3% of SSAB.

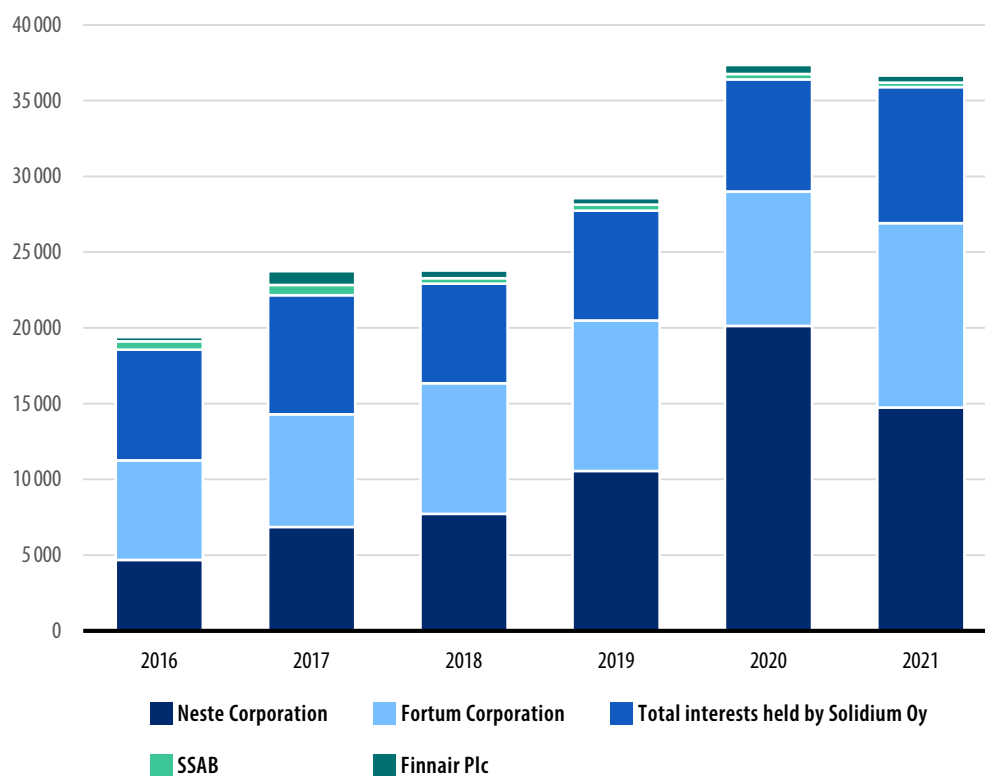
The return on all stock market holdings was 2.9% (35.4%) and on companies directly owned by the State -4.6% (46%). The Helsinki Stock Exchange's general index rose 18% and the yield index 22% in 2021, so the portfolio's performance was well behind the market development. In the State portfolio, individual companies, especially Neste, are very important. The return on the State's ownership of Neste in 2021 was -25.6% (95.6%), which had a significant impact on the performance of the entire state stock portfolio.

---

3 Includes the shares in Neste Corporation held by the Climate Fund, i.e. a total of 44.2% ownership in Neste.

4 Portfolio composition adjusted to reflect the situation at the end of 2021 for SSAB and Anora Group Plc

5 Includes the ownerships of the Prime Minister's Office and the Climate Fund

**Figure 12.** Value development of the State's share portfolio, EUR million

The dividend yield from directly held listed companies at 2021 year-end prices was 3.4 (2.5) per cent. Fortum, Neste and SSAB distributed dividends for the financial year 2021. As in the previous year, Finnair did not pay dividends. The dividend yield of companies listed on the Nasdaq OMX Helsinki Stock Exchange at 2021 year-end prices was 4.0 (3.3) per cent.

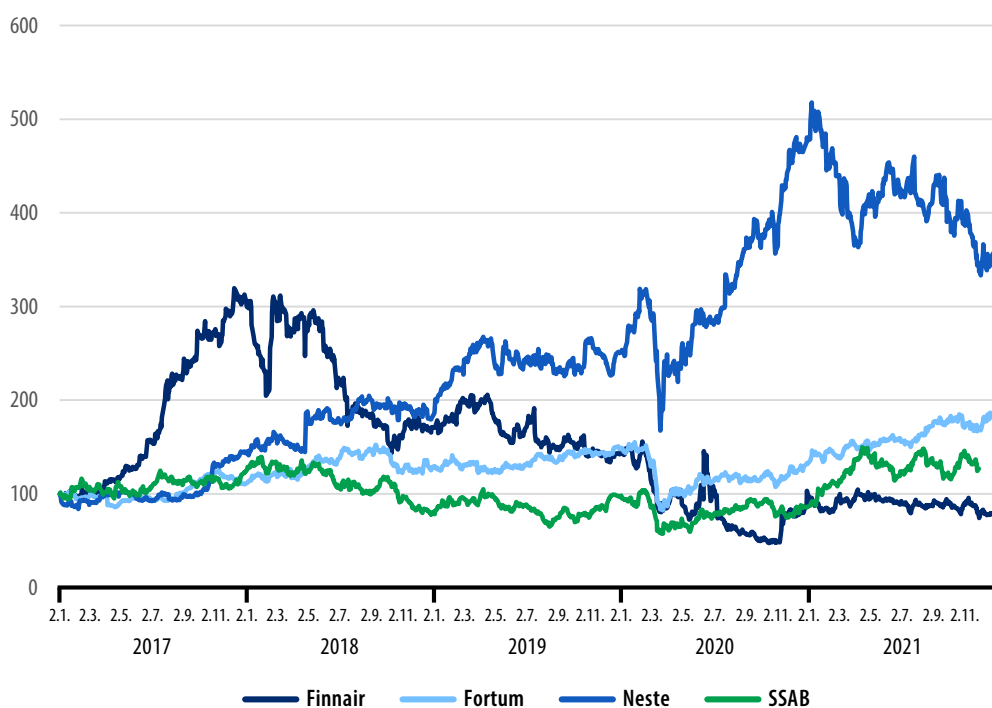
Fortum's 44% return clearly exceeded the 9.8% return of the benchmark index. Neste's return of -25% was weak relative to the 22% return of the benchmark index. Finnair's return of -21% also slightly underperformed the benchmark index of -19%.



### *Why does the State have direct stock exchange holdings?*

The State also has direct holdings in listed companies. In addition to the economic aspect, the State has a special strategic interest in these companies, which is why they are directly owned by the State. Most of the State's listed companies are indirectly owned through Solidium. For example, in 2021, the State defined a strategic interest for SSAB, particularly related to the company's and Finland's carbon neutrality goals. SSAB's shares were thus transferred as a return of capital from Solidium to the control of the Ownership Steering Department of the Prime Minister's Office.

**Figure 13.** Share price development of companies directly owned by the State 2017–2021



## 11.2 Solidium-held companies

The share of share investments in Solidium's investment portfolio remained unchanged at approximately 97% (97%) on 31 December 2021. Nokia had the largest weight in the portfolio, accounting for 19% (12%) of the share weight. Solidium's money market investments amounted to EUR 306 (222) million. Solidium's calendar year return on the portfolio was a good 33.5%, and it also clearly outperformed the benchmark index, which returned 23.8%. Over five years, the average annual return on the portfolio was 9.8%.

**Table 4.** Solidium's investment portfolio 31 December 2021

	EUR mil.	(% of the company)	(% of the investment portfolio)	Return, % 12 months		Return, % 5 years		Profit distribution 2020-2021 (EUR mil.)
				Company	Index	Company	Index	
Nokia Plc	1,678	5.3	18	77	35	6	18	
Sampo Plc	1,466	6.0	16	33	49	6	14	75
Stora Enso Plc	1,392	10.7	15	5	2	13	8	38
Metso Outotec Plc	1,154	14.9	12	17	25	15	17	12
Elisa Corporation	909	10.0	10	25	16	17	0	33
Valmet Plc	630	11.1	7	66	25	26	17	15
Nokian Tyres plc	406	8.8	4	20	29	3	7	11
Outokumpu Plc	389	15.5	4	71	42	-7	0	
TietoEvry Plc	353	10.9	4	7	37	6	18	16
Konecranes Plc	237	8.5	3	25	39	5	18	10
Kemira Oyj	210	10.2	2	7	17	7	10	9
Anora Plc	142	19.4	2	16	17			
Money market investments	306		3	0.3				
<b>Total</b>	<b>9,272</b>		<b>100</b>	<b>32.2</b>				<b>219</b>

Solidum's long-term sustainability work continued also during the past year. During autumn 2021, Solidum prepared responsibility analyses of the companies it owns. The focus was particularly on supply chain management, and biodiversity issues were also

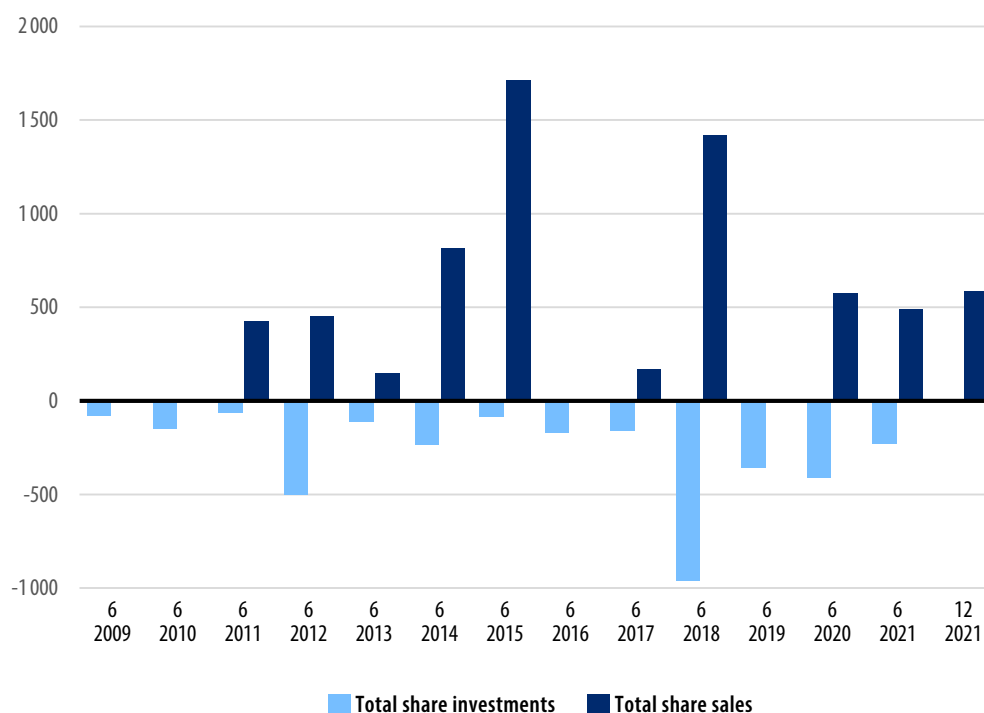
addressed in greater depth. In autumn 2021, the Board of Directors approved Solidium's long-term corporate responsibility programme for the period 2022–2026.

During the calendar year, Solidium made share acquisitions for a total of approximately EUR 95 million. The acquisitions slightly increased the stakes in Nokia, Nokian Tyres and TietoEvy.

During the calendar year, Solidium sold shares for a total of EUR 885 million. Shares in Sampo were sold for EUR 498 million, reducing the shareholding in the company from 8.0% to 6.0%. All the proceeds from the sale were used to repay the capital to the State. Shares in SSAB were sold for EUR 277 million and Solidium transferred the remaining shares in SSAB directly to the State. Solidium sold EUR 110 million of Outokumpu shares, reducing its stake in the company from 21.7% to 15.5%.

The dividend yield of Solidium's portfolio, measured by the market values of the portfolio companies for the financial year ending 30 June 2021, was 2.4%. The comparable dividend yield of the Helsinki Stock Exchange was around 2.8% (average yield for 2020 and 2021).

**Figure 14.** Solidium's share investments and sales 2009–2021 (EUR million)



During the calendar year, Solidium paid a total of EUR 368 million in dividends, EUR 500 million in capital repayments and EUR 271 million in SSAB shares to the State. During the calendar year, the State transferred its holding of EUR 143 million in Anora to Solidium.

Solidium has received distributions from its portfolio companies totalling around EUR 4.2 billion since 2008. At the same time, Solidium has paid a total of EUR 6.6 billion in dividends to the State. The difference has been financed by sales of shares in portfolio companies. In addition to the profit distribution, Solidium has distributed EUR 425 million in shares to the State as capital repayments. Solidium has invested some EUR 3.5 billion in equities and sold stock for some EUR 6.8 billion.

## 12 Direct state holdings in listed companies

### Finnair Plc

Finnair is a network airline specialising in scheduled services between Asia and Europe.

**State shareholding:** 55.9 %

**Ownership steering:** Prime Minister's Office

#### Interest of ownership

The strategic interest is the further development of Finland's position as a hub of international aviation.

#### Board of Directors 31 December 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

#### IMPORTANT EVENTS 2021

- In the challenging market situation, Finnair reduced its comparable operating loss by
- approx. EUR 126 million compared to 2020.
- Finnair also continued comprehensive financing arrangements in 2021. In total, the company acquired EUR 1.2 billion in new financing during the year.

Key financial indicators		2021	2020
Net sales	MEUR	838.4	829.2
Operating income	MEUR	-468.9	-595.3
Operating margin	%	-55.9	-71.8
Equity ratio	%	11.8	24.6
Gearing	%	321.8	153.2
Total assets	MEUR	4,047.1	3,646.5
Return on equity	%	-67.7	-56.2
Return on investment	%	-13.9	-15.2
Dividend yield	%		
Dividends received by the State	MEUR	0	0
Investments	MEUR	434.5	515.9
Total personnel at 31 Dec.		5,325	6,105
Tax footprint in Finland	MEUR	39.3	47.7
tCO <sub>2</sub> e (Scope 1)		1,147,903	1,151,399
tCO <sub>2</sub> e (Scope 2)		8,138	7,414
tCO <sub>2</sub> e (Scope 3)		254,650	255,315

The second year of the coronavirus epidemic was also challenging for Finnair. The company transported approximately 2.9 million passengers during the year, compared with 3.5 million

passengers in 2020. However, turnover remained at the level of 2020, especially due to strong freight demand. Even so, both passenger numbers and turnover remained above 70% of the pre-pandemic level. Thanks to the good profitability of freight and the company's extensive savings programme, Finnair was able to reduce its comparable operating loss by approximately EUR 126 million compared to 2020.

The second half of the year already clearly indicated that there is demand for the service provided by the company when travel is possible. In particular, the fourth quarter of the year was relatively strong, as about half of the year's turnover was generated during that quarter.

**SUSTAINABILITY** Finnair joined the Oneworld Alliance joint agreement on the purchase of sustainable air fuel. The company also dismantled one of its oldest A319 airplanes. Approximately 99 per cent of the materials from the airplane could be reutilised, and it also brought work to the technical personnel during low traffic volumes.

Finnair also continued comprehensive financing arrangements during 2021 by signing a EUR 400 million hybrid loan agreement with the Finnish State, implementing a sale and leasing arrangement of approximately \$400 million for planes and issuing a EUR 400 million bond. As an investment in future competitiveness, the company undertook a wide-body aircraft reform of the passenger cabin of EUR 200 million, which had been decided on previously but was delayed due to the pandemic.

## Fortum Corporation

Fortum is an energy company operating in more than 40 countries. Fortum provides electricity, gas, heat, cooling and smart solutions to improve resource efficiency. At the end of 2021, Fortum owned 78 per cent of Uniper.

**State shareholding:** 50.8 %

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is to ensure the adequacy of electricity production in all circumstances.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Markus Rauramo

### IMPORTANT EVENTS 2021

- The year was exceptional in energy product markets and included strong fluctuations and increases in electricity and gas prices.
- Fortum strengthened its balance sheet by implementing EUR 4 billion in divestments and deepened cooperation with Uniper.

Key financial indicators		2021	2020
Net sales	MEUR	112,400	49,015
Operating income	MEUR	-588	1,599
Operating margin	%	neg	3.3
Equity ratio	%	9.1	26.9
Gearing	%	70.5	53.6
Total assets	MEUR	149,661	57,810
Return on equity	%	5.9	14
Return on investment	%	-0.3	11
Dividend yield	%	137	55
Dividends received by the State	MEUR	514	505
Investments	MEUR	1,472	2,902
Total personnel at 31 Dec.		19,140	19,933
Tax footprint in Finland	MEUR	364	231
MtCO <sub>2</sub> e (Scope 1)		69	49
MtCO <sub>2</sub> e (Scope 2)		0.8	0.8
MtCO <sub>2</sub> e (Scope 3)		120	28

Fortum achieved especially good operational results during the year under review. Comparable operating profit rose to EUR 2.5 (1.3) billion. Development was supported by exceptionally high electricity and gas prices, especially in the

second half of the year, increased production and successful optimisation. Market shifts in the energy product market were exceptional and included strong fluctuations and price increases, which also led to higher collateral requirements in Uniper's energy trade. Fortum and Uniper agreed on financing arrangements that allowed Uniper to secure its liquidity and also to prepare for the continuation of the market situation.

Through its strategy, the company strives for carbon neutrality, sustainable profit development, a strong financial standing and a growing dividend. In terms of value creation, the company continued to optimise its business portfolio, selling its Baltic district heating business, its 50% share of Stockholm Exerg and its 500 MW solar power capacity in India. Divestments strengthened the balance sheet and the company clearly fell below its debt targets. Fortum intensified cooperation with Uniper in strategically important business areas such as the development of solar and wind power projects, hydropower and hydrogen business.

**SUSTAINABILITY** Scope 3 emissions account for the most significant part of Fortum's greenhouse gas emissions. The company supplemented its climate targets by setting a 35% reduction target for scope 3 emissions by 2035.

Fortum announced the accelerated decommissioning of six coal power plants. In 2021, 13 per cent of the company's electricity production was based on the burning of coal. The new Scope 3 target set in 2021 will strengthen Fortum's commitment to achieving carbon neutrality throughout its operations by 2050 at the latest.

## Neste Corporation

Neste is the world's leading producer of renewable diesel and responsible aviation fuel, refining waste, residues and innovative raw materials into renewable fuels and responsible raw materials for plastics and other materials.

**State shareholding:** 44.2 % (Prime Minister's Office 35.9 %, Climate Fund Ltd. 8.3 %)

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is to secure nationwide fuel supply with due regard to the maintenance of emergency stocks of critical supplies.

### Board of Directors 31 December 2021

Matti Kähkönen (chair), Marco Wirén (deputy chair), John Abbott, Nick Elmslie, Martina Flöel, Jean-Baptiste Renard, Jari Rosendal, Johanna Söderström

**Chief Executive Officer:** Peter Vanacker

### IMPORTANT EVENTS 2021

- Rotterdam was selected as the location of the next renewable product refinery.
- The company expanded the availability of waste and residues. The aim of the EUR 630 million maintenance investment to the Porvoo refinery is to create the most responsible refinery in Europe.

Key financial indicators		2021	2020
Net sales	MEUR	15,148	11,751
Operating income	MEUR	2,023	828
Operating margin	%	13.4	7.0
Equity ratio	%	56.3	60.4
Gearing	%	1.1	-4.5
Total assets	MEUR	12,417	9,815
Return on equity	%	25.4	12.0
Return on investment	%	23.1	11.5
Dividend yield	%	36	86
Dividends received by the State	MEUR	279	272
Investments	MEUR	1,298	972
Total personnel at 31 Dec.		4,872	4,833
Tax footprint in Finland	MEUR	3,291	2,972
tCO <sub>2</sub> e (Scope 1)		1,828,000	2,149,000
tCO <sub>2</sub> e (Scope 2)		509,000	736,000
tCO <sub>2</sub> e (Scope 3)		35,000,000	48,000,000

Neste's 2021 comparable EBITDA was EUR 1,920 (1,929) million remaining at the previous year's level. The company's comparable operating profit showed a slight decrease totalling EUR 1,342 (1,416) million.

While sales volumes and sales margins of renewable products improved, the decline of the United States dollar and the increase in fixed costs contributed to the decline in comparable results. The Oil Products segment exceeded the previous year's result despite the largest ever stoppages at the Porvoo refinery and the closure of the Naantali refinery. The results of the Marketing & Services segment also improved despite the negative effects of the pandemic.

**SUSTAINABILITY** Neste expanded its responsibility vision, which includes climate, biodiversity, human rights, the supply chain and raw materials. Neste has undertaken to reduce climate emissions by 20 million tonnes per year by 2030 and to implement carbon neutral production by 2035.

Neste continued to implement its growth strategy in 2021. The company completed the procurement of a raw material pre-treatment unit in Rotterdam. Neste announced that it had chosen Rotterdam as the location of the next renewable product refinery. Neste stated that it would change the production capacity of its existing Rotterdam plant so that the refinery would be able to produce 500,000 tonnes of renewable aviation fuel in 2023. Neste announced that it had agreed to purchase Agri Trading, one of the largest independent suppliers of waste, and grease and oil residues in the United States.

## SSAB AB

SSAB produces specialty steel. It is the world's leading company in the development of carbon-free steel production. The company's shares have been listed on the Stockholm and Helsinki stock exchanges.

**State shareholding:** 6.3 % (8.0% of votes)

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is to influence the rapid implementation of the company's low-carbon strategy and, more broadly, the development of the competence base of the sector in Finland.

### Board of Directors 31 December 2021

Lennart Evrell, Bo Annvik, Petra Einarsson, Marie Grönberg, Pasi Laine, Maija Strandberg, Martin Lindqvist

**Chief Executive Officer:** Martin Lindqvist

### IMPORTANT EVENTS 2021

- SSAB shares owned by the State were transferred from Solidium to ownership steering at the Prime Minister's Office on 14 September 2021, and a strategic interest was defined for the ownership.
- The company achieved its best result ever in all segments and announced that the transition to carbon-free steel would be accelerated.

Key financial indicators		2021	2020
Net sales	MEUR	9,301.4	6,237.2
Operating income	MEUR	1,827.2	-30.9
Operating margin	%	19.6	-0.5
Equity ratio	%	65.6	61.1
Gearing	%	-1.7	14.7
Total assets	MEUR	10,865.8	8,829.8
Return on equity	%	22.8	-0.9
Return on investment	%	26.7	2.4
Dividend yield	%	37	0
Dividends received by the State	MEUR	33	0
Investments	MEUR	340.7	215.9
Total personnel at 31 Dec.		14,235	13,974
Tax footprint in Finland	MEUR	-	-
tCO <sub>2</sub> e (Scope 1)		10,605,000	9,474,000
tCO <sub>2</sub> e (Scope 2)		1,029,000	1,340,000
tCO <sub>2</sub> e (Scope 3)		5,767,000	

SSAB achieved its best results ever in all segments. The main reason for this improvement was higher steel prices. The cost of raw materials increased sharply during the financial year,

but the profitability of the company remained good. The Group's operating profit was EUR 1,827 million. Relative profitability, measured as a percentage of operating profit, was the highest in the SSAB Americas Segment, 26.2 percent. The operating result for the SSAB Special Steels segment was EUR 449.1 million and the operating profit rate was 19.7%. A strong result and cash flow development made the company net debt-free at end of the year.

SSAB's strategic objectives, such as increasing the share of premium products, progressed during the year. Occupational safety also improved substantially. During 2021, the company delivered the first pilot batches of fossil-free steel.

**SUSTAINABILITY** SSAB is a global leader in the development of carbon-free steel. SSAB's Board of Directors made an indicative decision to renew its Nordic sheet metal production and accelerate the green transition. SSAB's aim is to replace the current sheet metal production system with minimill-based production, which expands the product range and improves the cost standing. At the same time, the company aims to eliminate carbon dioxide emissions to a large extent by 2030, i.e. 15 years earlier than announced. The implementation of the plan will require the existence of the necessary infrastructure, in particular an adequate amount of fossil-free electricity.

SSAB's reporting currency is SEK. The figures in the adjacent table have been converted into euros at the exchange rate valid on 31 December 2021 (financial year 2021) and 31 December 2020 (2020). SSAB does not report its tax footprint.



## 13 Non-listed commercial companies

### Arctia Ltd

Arctia provides icebreaking and multipurpose vessel services, waterway and channel management services, environmental damage prevention services, hydrographic surveying, other water area services and expert services.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

#### Interest of ownership

The strategic interest is ensuring winter navigation that serves the transport needs of business life and hydrographic surveying services related to naval preparedness and readiness.

#### Board of Directors 31 December 2021

Pertti Saarela (chair), Pirjo Kiiski, Hanna Masala, Sinikka Mustakari, Kari Savolainen, Mats Rosin

**Chief Executive Officer:** Maunu Visuri

#### KEY EVENTS 2021

- The operating days of icebreaking increased considerably from the previous exceptionally mild winter, totalling 567 days (322).
- Arctia carried out the Mareano marine survey project for the Norwegian nautical charting authorities.

Key financial indicators		2021	2020
Net sales	MEUR	71.2	80.8
Operating income	MEUR	0.2	2.4
Operating margin	%	0.3	3.0
Equity ratio	%	53.5	50.2
Gearing	%	53.1	60.3
Total assets	MEUR	265.1	283.7
Return on equity	%	-0.4	0.6
Return on investment	%	0.1	0.9
Dividend yield	%	0.0	0.0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	4.3	6.8
Total personnel at 31 Dec.		439	439
Tax footprint in Finland	MEUR	9.7	10.6
tCO <sub>2</sub> e (Scope 1)		42,381	
tCO <sub>2</sub> e (Scope 2)		752	
tCO <sub>2</sub> e (Scope 3)			

Arctia's turnover and operating profit were lower compared to the reference year. The most significant reason for this was that two significant oil spill response projects were implemented in

the fairway maintenance business during the reference period, but no similar projects were implemented in 2021. The net result for the financial year was negative, EUR -0.5 (0.9) million. The Group's balance sheet and financial position remained stable. The icebreaking business is carried out with eight actual icebreakers. The operating days of icebreaking increased significantly compared to the previous year. In harbour icebreaking operations, winter was average in the Bay of Bothnia operating area. During the open water season, port assistance and escort tug operations were carried out. With regard to fairway maintenance, Arctia's business focused on developing operations in accordance with the service agreement model, especially in the port and fairway sector.

**SUSTAINABILITY** The Arctia-coordinated Intelligent Sea project was continued. Its purpose is to promote sustainable development in maritime transport by creating smart digitalisation solutions for the sea, ports, and road users. The project develops the digital network of smart buoys and maritime safety devices and tests new solutions for monitoring sulphur emissions from ships.

During the period under review, Arctia carried out the Mareano Hydrographic Surveying project in Norway as well as international cable and pipeline measurements for projects such as the Baltic Connector gas pipeline. A project was carried out for Finnish hydrographic surveying authorities in the Kokkola region and measurements were finalised in the Archipelago Sea and the Gulf of Finland.

## 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.

**State shareholding:** 65.0 %

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is to ensure the breeding of plant production varieties suitable for the northern climate required for the functionality of the marketplace, and retaining the ownership of the breeding material.

### Board of Directors 31 December 2021

Riitta Mynttinen (chair), Jyrki Lepistö, Antti Ollila, Minna Oravuo, Mia Rainio, Birgitta Vainio-Mattila

**Chief Executive Officer:** Markku Äijälä

### KEY EVENTS 2021

- In March, the company's shareholders agreed unanimously that the company would redeem the 1,077 shares owned by Vilmor & Cie to the company and then cancelled them. After the change, the Finnish state's shareholding in the company increased to 65.0 per cent from its previous 60.8 per cent.

Key financial indicators		2021	2020
Net sales	MEUR	8.6	9.5
Operating income	MEUR	0.2	0.4
Operating margin	%	2.3	4.3
Equity ratio	%	66.4	66.7
Gearing	%	-14.7	-15.0
Total assets	MEUR	11.3	12.0
Return on equity	%	2.5	4.0
Return on investment	%	2.7	4.8
Dividend yield	%	81.3	46.1
Dividends received by the State	MEUR	0.1	0.1
Investments	MEUR	0.3	0.7
Total personnel at 31 Dec.		74	77
Tax footprint in Finland	MEUR	3.0	2.9
tCO <sub>2</sub> e (Scope 1)		95	
tCO <sub>2</sub> e (Scope 2)		571	
tCO <sub>2</sub> e (Scope 3)		1,596	

The basic task of Boreal Plant breeding is to improve the competitiveness of Finnish food production by breeding varieties suitable for our growing conditions from plant species important for food production. The company

is also important in terms of security of supply, which will be emphasised in particular as climate conditions change and to which plant varieties must be able to adapt. Boreal Plant Processing Ltd's turnover decreased by about 10 per cent from the previous financial year. However, market share decreased only slightly. The drought during the 2020 growing season significantly reduced yield levels, which affected the entire market and was reflected in the volume of both royalties and seed sales. In 2021, the total cultivation area for cereals in Finland decreased by two per cent from the previous year. The yield levels in the 2021 growing season also remained meagre due to extreme weather conditions in nearly the entire country, and the profitability of cultivation decreased.

**SUSTAINABILITY** The core of the company's operations is the breeding of plant varieties suitable for Finland. The company's most important act of sustainability is to succeed in its core task, in which it has succeeded excellently. Plant breeding is a long-term activity, as the breeding process typically takes 8-15 years. It is therefore necessary to proactively respond to and invest in changing conditions.

Boreal has ongoing breeding programmes for 12 plant species. The breeding objectives are defined in a customer-oriented manner, taking into account, for example, climate change and the needs of crop users. In 2021, a number of varieties from Boreal were approved in the Finnish National List of Plant Varieties: barley, oats, wheat, grasses and oil crops. In relation to previous varieties, improvements can be found in grain quality, crop yield and corn strength.

## Finavia Corporation

Finavia maintains and develops Helsinki Airport and the nationwide airport network

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest of ownership is to ensure the supply of domestic and international flight connections by developing and maintaining the Finnish airport network

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Kimmo Mäki

### KEY EVENTS 2021

- The prolongation of the coronavirus pandemic continued to have a dramatic impact on passenger numbers.
- The expansion investment in Helsinki Airport, which started in 2013 and is now in its final stages, was successfully continued.
- The State strengthened the company's financial position by capitalising Finavia plc with an equity investment of EUR 317 million and a EUR 33 million capital loan.

Key financial indicators		2021	2020
Net sales	MEUR	145.4	150.6
Operating income	MEUR	-130.7	-128.9
Operating margin	%	-89.9	-85.6
Equity ratio	%	44.9	36.3
Gearing	%	87.2	135.8
Total assets	MEUR	1,591.8	1,476.5
Return on equity	%	-23.0	-24.2
Return on investment	%	-9.4	-10.2
Dividend yield	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	164.7	257.2
Total personnel at 31 Dec.		2,250	2,233
Tax footprint in Finland	MEUR	41.5	45.4
tCO <sub>2</sub> e (Scope 1)		4,030	
tCO <sub>2</sub> e (Scope 2)		7,820	
tCO <sub>2</sub> e (Scope 3)			

Finavia has two business areas: Helsinki-Vantaa airport and the Airport network. Finavia's services for air traffic are supplemented by Airpro Oy.

Finavia also owns 49 per cent of Avia Real Estate Oy, which owns, rents and develops operating and logistics facilities mainly located in the Helsinki Airport area.

The coronavirus pandemic had a dramatic impact on Finavia's operations also in 2021. Travel restrictions imposed in various countries in the first half of the year kept the volume of passenger traffic at a very low level. Travel restrictions were relaxed during the second half of the year and air travel began to recover, especially towards the end of the year. Passenger numbers at Finavia airports totalled 5.4 million, down 16 per cent from 2020 and 79 per cent from 2019. Air freight increased by 21% at Finavia airports.

At the end of 2021, Helsinki Airport had 74 direct destinations (186 in 2019). International waypoint traffic in Helsinki-Vantaa was low due to the strict travel restrictions in Asian countries. The total number of passengers at regional airports totalled 1.1 million (a decrease of 73% from 2019). The number of charter flights to and from Lapland airports, which are important for Finnish tourism increased to the same level as before the pandemic.

**SUSTAINABILITY** Finavia's airports are currently carbon neutral, and the company is aiming for net zero emissions by 2025.

At the beginning of 2021, Finavia selected three strategic focus areas: accelerating business recovery, ensuring their financial standing and building the well-being and future of its personnel. In addition, the company continued to invest in combating climate change and promoting accessibility to Finland.

## 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.

**State shareholding:** 53.1 % (28.2% Ministry of Finance, 24.9% National Emergency Supply Agency)

**Ownership steering:** Ministry of Finance

### Interest of ownership

The strategic interest is safeguarding the effective and uninterrupted transfer of electricity and the efficiency of the electricity system in all circumstances.

### Board of Directors 31 December 2021

Juhani Järvi (chair), Päivi Nerg (deputy chair), Hannu Linna, Esko Torsti, Sanna Syri

**Chief Executive Officer:** Jukka Ruusunen

### KEY EVENTS 2021

- Fingrid Group's financial results for 2021 were better than expected in the exceptional electricity market situation.
- Operationally, the year went as planned despite the coronavirus pandemic.
- Fingrid's investment portfolio was larger than ever before.

Key financial indicators		2021	2020
Net sales	MEUR	1,090.9	682.5
Operating income	MEUR	210.8	118.4
Operating margin	%	19.3	17.3
Equity ratio	%	25.3	27.4
Gearing	%	145.1	165.9
Total assets	MEUR	2,559.5	2,306.8
Return on equity	%	23.5	14.3
Return on investment	%	11.7	7.0
Dividend yield	%	0.0	0.0
Dividends received by the State	MEUR	0	0.0
Investments	MEUR	209	150.0
Total personnel at 31 Dec.		440	400
Tax footprint in Finland	MEUR	63.7	129.4
tCO <sub>2</sub> e (Scope 1)		6,000	
tCO <sub>2</sub> e (Scope 2)		136,000	
tCO <sub>2</sub> e (Scope 3)		24,000	

As regards electricity, 2021 will be remembered for exceptionally high prices. Prices increased especially due to a strong increase in gas prices, but emission allowance prices and the Nordic

water situation also played a role. In 2021, Finland's electricity consumption increased by about 6 per cent. The increase in consumption was due to a winter colder than the previous year and the return to normal industrial consumption.

Operationally, the year went as planned despite the coronavirus pandemic. The Fingrid network transmitted 72.9 TWh of electricity, which accounted for 77% of Finland's total electricity transmission (consumption and transmission). The transmission security of the main grid was 99.99992%.

**SUSTAINABILITY** The most important act of sustainability by Fingrid is action to mitigate climate change: The main grid serves as a platform for a clean electricity system. In 2021, 743 MW of wind power was installed in the national grid, which indirectly prevents approximately 213,000 tCO<sub>2</sub> of emissions in coming years.

According to the most recent European comparison, Fingrid's transmission charges are the second most affordable in the comparison group of around 20 countries. Fingrid's goal is to remain among the most affordable main grid companies in the future, thus offering a competitive advantage to companies operating in Finland.

Over two billion euros will be invested in Finland's national grid this decade. The goal of a climate-neutral Finland in 2035 means a significant increase in the production and consumption of emission-free electricity. Fingrid's investment portfolio was larger than ever before. These investments will enable wind power connections of up to 4,500 MW.

## Finnish Seed Potato Centre Ltd

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

**State shareholding:** 22.0 %

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is the promotion of plant health and maintenance of security of supply by producing healthy seed potato material suitable for Finland's conditions.

### Board of Directors 31 December 2021

Kauko Matinlahti (chair), Mika Anttila, Kirsi Heinonen, Antti Lavonen, Ossi Paakki, Jyrki Siira

**Chief Executive Officer:** Paula Ilola

### KEY EVENTS 2021

- The quantity of marketable potatoes during the past season 2020-2021 was higher than usual due to the excellent harvest season in 2019.
- The company participated in research on potato plant diseases, cultivation technology and quality.

Key financial indicators		2021	2020
Net sales	MEUR	3.6	3.0
Operating income	MEUR	0.2	0.0
Operating margin	%	5.6	1.5
Equity ratio	%	72.7	66.9
Gearing	%	20.8	31.8
Total assets	MEUR	3.3	3.3
Return on equity	%	8.7	1.3
Return on investment	%	6.9	1.6
Dividend yield	%	0.0	0.0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	0.1	0.1
Total personnel at 31 Dec.		14	14
Tax footprint in Finland	MEUR		
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

The Finnish Seed Potato Centre's most important production area includes 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 season, a total of 29 potato varieties were produced for the domestic market, all of which were in the company's own maintenance and greenhouse production. Additionally, the company had more than 12 varieties in greenhouse production for the export markets.

The cultivation areas of varieties in contract production remained at the previous year's level. From 1 August 2020 to 31 July 2021, the turnover of the Finnish Seed Potato Centre increased clearly in relation to the previous year, due to an increase in the quantity of marketable potatoes and the success of sales. At the same time, variable costs increased as volumes grew. The entire crop was sold to the seed and food potato markets, but the market price in the food potatoes sector was relatively weak.

**SUSTAINABILITY** The company has taken important practical measures, such as the installation of air-water heat pumps for heating, which has decreased oil consumption by 61%. Other measures include improved recycling, reduced paper consumption and the introduction of electric trucks for testing purposes. In addition, the company's arable farming is a significant carbon sink.

The Finnish Seed Potato Centre has also played a leading role in the development of aeroponic cultivation technology. The core of the aeroponic method is that the roots of the potato grow in a dark, closed chamber hanging in the air. The number of tubers per plant will increase up to ten times, and the use of water and nutrients will become more efficient.

## Gasgrid Finland Oy

The company acts as a gas transmission system operator, offering customers safe, reliable and cost-effective gas transmission. The company is actively developing a transfer platform, services and the gas market to promote a carbon-neutral energy and raw material system for the future.

**State shareholding:** 100% (Direct ownership 26.5% of shares and 50.2% of the voting rights, the rest via Suomen Kaasuverkko Oy)

**Ownership steering:** Ministry of Finance

### Interest of ownership

The strategic interest is to secure the transmission of gas and the functionality and non-disturbance of the gas system under all circumstances.

### Board of Directors 31 December 2021

Kai-Petteri Purhonen (chair), Jero Ahola, Saija Kivinen, Päivi Nerg, Asta Sihvonon-Punkka

**Chief Executive Officer:** Olli Sipilä

### KEY EVENTS 2021

- Results in personnel and customer satisfaction and sustainability improved.
- Gasgrid established the Strategic Analysis & RDI Unit.

Key financial indicators		2021	2020
Net sales	MEUR	130.6	126.9
Operating income	MEUR	67	67.2
Operating margin	%	51.3	53.0
Equity ratio	%	62.8	51.4
Gearing	%	26.3	37.4
Total assets	MEUR	390.1	454.7
Return on equity	%	17.7	18.7
Return on investment	%	18.8	18.6
Dividend yield	%	0.0	0.0
Dividends received by the State	MEUR	0	0.0
Investments	MEUR	6	8.6
Total personnel at 31 Dec.		51	39
Tax footprint in Finland	MEUR	129.1	100.7
tCO <sub>2</sub> e (Scope 1)		13,300	
tCO <sub>2</sub> e (Scope 2)		3,300	
tCO <sub>2</sub> e (Scope 3)		1,018,000	

2021 was Gasgrid's second year of operation, and the company succeeded well with key indicators. Gasgrid has good liquidity and exceeded its financial targets. The security of supply for unplanned supply interruptions was

100%, and the company's personnel have two consecutive years without accidents. Gasgrid implemented development projects in all its business areas that promoted its strategy and updated its sustainability programme, which also includes a new sustainability loan. In addition, the company tendered its maintenance and procured service providers for different areas of the transmission platform and for property maintenance.

Customers transferred 25,1 TWh of gas on the Gasgrid platform. In December 2021, Gasgrid was appointed responsible party for the National renewable gas and hydrogen Guarantee of Origin register and its maintenance.

**SUSTAINABILITY** Gasgrid's more ambitious sustainability programme has been updated for 2022-2023 and is linked to the UN Sustainable Development Goals. The economic, social and environmental impacts of the company's operations are taken into account in the implementation of the sustainability programme.

At the beginning of the year, Gasgrid joined the European Hydrogen Backbone project and the national hydrogen cluster. Together with the Baltic gas transmission network companies, the company created a solution proposal for the creation of a common tariff area for four countries, which is now under assessment by the region's regulatory authorities. The European Commission published a proposal for legislation on the future gas market. The company started investigating the potential demand and supply of hydrogen, potential infrastructure development needs and potential market services that could be offered by a new type of energy and raw material transmission infrastructure.



## 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.

**State shareholding:** 100% (Prime Minister's Office 26.5 %, Gasonia Oy 73.5 %)

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is to ensure the supply of methane-based industrial raw materials and energy production fuels, taking into account the security of supply aspect

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Mika Wiljanen (from 1 March 2022)

### KEY EVENTS 2021

- Market development was exceptional. The price of gas rose to a record high, especially at the end of the year.
- Gasum sold its LNG liquefaction plant in Risavika in November 2021.

Key financial indicators		2021	2020
Net sales	MEUR	1,571	664
Operating income	MEUR	-239	5.7
Operating margin	%	neg.	0.9
Equity ratio	%	18	36
Gearing	%	109	122
Total assets	MEUR	2,421	1,362
Return on equity	%	-56	-1.5
Return on investment	%	-18	2.6
Dividend yield	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	46	200
Total personnel at 31 Dec.		356	384
Tax footprint in Finland	MEUR	159	64
tCO <sub>2</sub> e (Scope 1)		44,000	45,000
tCO <sub>2</sub> e (Scope 2)		9,000	9,000
tCO <sub>2</sub> e (Scope 3)		5,900,000	36,000

Gasum managed to increase volumes in all business operations. Volumes delivered to customers increased 11% from the previous year in the Industrial segment, 32% in the Maritime segment and 61% in the Transport

segment. Natural gas sales volumes remained at the previous year's level. Despite the challenging market situation, the company promoted the implementation of its strategy and expanded its operating area in the maritime transport segment, increased energy portfolio management for industrial clients, continued the expansion of its transport refuelling station network and opened up two new biogas plants. For the implementation of the strategy, the successful divestiture of the LNG liquefaction plant in Risavika and the long-term procurement contract for the procurement of production was an important step.

**SUSTAINABILITY** The company's objective is to achieve a cumulative reduction in carbon dioxide emissions of one million tonnes by bringing 4 terawatt hours of biogas to the market by 2025. In 2021, the company launched one terawatt hour of biogas on the market and increased the production volumes of biogas plants by about 25 per cent.

The end of the year was marked by an exceptional increase in gas prices and market uncertainty. Increased prices and volumes are reflected in the strong growth of the company's turnover. The strong increase in gas prices was reflected as a negative change in the value of derivatives used for hedging purposes, which lowered the reported income and the company's equity. The profitability trend of the adjusted profit was also weak and the adjusted result was a loss of EUR -84 (34) million. In addition, the increase in collateral requirements caused by the increase in gas prices increased the need for working capital and increased the company's debt.

## Kemijoki Oy

Kemijoki Oy is a Finnish energy company whose main business is producing energy using hydropower. The company produces one third of Finnish hydropower. The electricity produced by the company is sold to the owners at cost price without profit.

**State shareholding:** 50.1 %

**Ownership steering:** Prime Minister's Office

### Interest of ownership

Financial interest

### Board of Directors 31 December 2021

Risto Andstén (chair), Tapio Jalonen, Markus Katara, Tapio Korpeinen, Simon-Erik Ollus, Anne Simolinna, Juha-Pekka Weckström

**Chief Executive Officer:** Tuomas Timonen

### KEY EVENTS 2021

- The company decided to implement a bypass solution for migratory fish in connection with the dam at its Taivalkoski power plant.
- The company was granted a three-year extension in relation to the time specified in its water management permit to start construction work for the Sierilä power plant

Key financial indicators		2021	2020
Net sales	MEUR	49.6	53.3
Operating income	MEUR	5.3	5.3
Operating margin	%	10.7	9.9
Equity ratio	%	10.4	10.5
Gearing	%	820.2	807.0
Total assets	MEUR	494.1	490.1
Return on equity	%	1.6	1.6
Return on investment	%	1.1	1.1
Dividend yield	%	103.8	103.2
Dividends received by the State	MEUR	0.4	0.4
Investments	MEUR	19.7	17.5
Total personnel at 31 Dec.		39	39
Tax footprint in Finland	MEUR	26.1	28.5
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

In 2021, the total usability of power plants decreased to 96.5% from 96.9% the previous year and 98.9% the year before that. During the year, the company's power plants produced

5,231 (4,793) GWh of electricity, which accounted for about one third of domestic hydropower. In the long-term comparison, the production volume was slightly above average. The company produces electricity for its shareholders at cost price, which means the main objective of Kemijoki Oy is the cost-effectiveness of its operations. The biggest single cost item is real estate tax. In September 2020, the City of Rovaniemi granted a second building permit for the powerhouse and gate building, but the building permit was reviewed as a result of a complaint. In March 2022, Kemijoki Oy was granted a three-year extension to the time specified in its water management permit to start construction work on the Sierilä power plant. The reason for this is the prolonged permit process related to a construction permit for a powerhouse. Total investments for the reporting period amounted to EUR 19.7 (17.5) million.

Hydropower is Finland's most important form of renewable electricity production, reducing the need for fossil fuels and so mitigating climate change. In addition to its good properties, hydropower also has adverse environmental impacts arising from the construction of new power plants, the control of existing power plants and the regulation of water bodies.

In recent years, around EUR 5 million has been spent on environmental management to mitigate adverse environmental impacts. The company engages in active cooperation with other actors in planning measures to restore fish stocks. The company decided to implement a bypass solution for migratory fish in connection with the dam at its Taivalkoski power plant. Work related to migratory fish is guided by Kemijoki Oy's objective to partly return the natural migratory fish population to the Kemijoki and Ounasjoki rivers.



## Leijona Catering Oy

Leijona Catering is a Finnish food service company that has 60 restaurants and manufactures an average of 70,000 meals every day. The company focuses on a strategic partnership with the Finnish Defence Forces and government sites critical to national security.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The company's strategic interest is to secure the operation of the Defence Forces by producing the required catering services under all circumstances.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Ritva Paavonsalo

### KEY EVENTS 2021

- The company's resilience to disruptions remained excellent, safeguarding the company's profitability, solvency and growth.
- At the beginning of 2021, the company joined the UN Global Compact

Key financial indicators		2021	2020
Net sales	MEUR	79.0	73.3
Operating income	MEUR	4.1	5.6
Operating margin	%	5.2	7.6
Equity ratio	%	68.5	63.9
Gearing	%	-62.2	-80.9
Total assets	MEUR	25.1	29.4
Return on equity	%	18.3	23.7
Return on investment	%	22.8	30.1
Dividend yield	%	92.3	114.0
Dividends received by the State	MEUR	3.0	5.0
Investments	MEUR	0.8	2.1
Total personnel at 31 Dec.		524	511
Tax footprint in Finland	MEUR	11.1	11.1
tCO <sub>2</sub> e (Scope 1)		224	
tCO <sub>2</sub> e (Scope 2)		1,305	
tCO <sub>2</sub> e (Scope 3)		28,320	

The company's business operations consist of a strategic partnership with the Finnish Defence Forces, the food supply of the Criminal Sanctions Agency and restaurant operations of other customers critical for security and central

government sites. 2021 was the company's 10th year of operation.

The strategic partnership between the company and the Defence Forces is based on close-knit development work, the aim of which is not only the operation in normal conditions but also preparedness for the implementation of catering in emergency conditions. In 2021, the partnership agreement between the company and the Criminal Sanctions Agency was extended to cover not only food services in prisons but also canteen services.

The company's role as an actor critical for Finland's security has been emphasised in the long-term exceptional situation caused by the coronavirus pandemic. Food arrangements have been changed flexibly in close cooperation with customers. Measures to prevent the spread of the coronavirus will also continue in 2022. The company closely monitors changes in the security environment and the impacts of these changes on the company's business operations.

**SUSTAINABILITY** The company continued to reduce its carbon footprint with its raw material choices and by developing climate-friendly recipes without compromising food quality. In 2021, the meal-specific carbon footprint decreased by 3%.

The company's turnover increased by 7.7 per cent from the previous year. The increase in turnover was particularly influenced by the expansion of the Criminal Sanctions Agency's canteen services. Despite the challenging year, the company's profitability and solvency remained strong thanks to the successful measures implemented by the company.

## Mint of Finland Ltd

The company is a reliable global supplier of coins and blanks.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

**Interest of ownership**

Financial interest

**Board of Directors 31 December 2021**

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

**Chief Executive Officer:** Jonne Hankimaa

### KEY EVENTS 2021

- One of the company's largest projects ever, the delivery of cash money to the Philippines was successfully completed.
- The company's joint venture with the Royal Spanish Mint, Ceca SA, faced serious financial difficulties.

Key financial indicators		2021	2020
Net sales	MEUR	83.0	57.2
Operating income	MEUR	5.6	-5.1
Operating margin	%	6.7	-8.9
Equity ratio	%	57.7	37.1
Gearing	%	42.8	94.6
Total assets	MEUR	44.6	71.5
Return on equity	%	19.2	-19.7
Return on investment	%	12.8	-11.2
Dividend yield	%	-	-
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	4.7	0.6
Total personnel at 31 Dec.		0	208
Tax footprint in Finland	MEUR	0.4	0.7
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

The Mint of Finland's year was successful. The deliveries of the Philippines' operating money project were completed by the end of the financial year. As a result, the company's turnover

and result for the whole year were very high and improved 45 per cent from the previous year, from EUR 57.2 million to EUR 83 million, with an operating profit of EUR 5.6 million. The previous year, the operating profit showed a loss of EUR 5.1 million.

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. Although the number of different means of payment is increasing, the number of coins in use continues to grow. During the pandemic, competition for international projects has clearly intensified. After a well-implemented, large project in the Philippines, the company is considered to have excellent references as a supplier for future projects.

Environmental perspectives play an important role in business and in defining and adapting to operational processes. Special achievements for 2021 include a 78 % reduction in CO<sub>2</sub> emissions in Mint of Finland operations and internal transport. In addition, renewable energy accounted for 100% of energy consumption at the Vantaa plant in 2021. Renewable energy in electricity consumption at the Halsbrück plant increased from 7.9% to 70.4%.

The Mint of Finland takes sustainability into account in its international operating environment. The company has a set of business ethical guidelines and corporate social responsibility requirements for its partners.

## Motiva Oy

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

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

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

### Board of Directors 31 December 2021

Anja Kahri (chair), Petteri Kuuva, Timo Tähtinen, Eeva Vakkilainen

**Chief Executive Officer:** Vesa Silfver

### KEY EVENTS 2021

- Motiva's subsidiary's Ympäristömerkintä Suomi Oy's result improved notably. This was due to strict cost monitoring during the financial year.
- Job satisfaction within the organisation remained at a good level.

Key financial indicators		2021	2020
Net sales	MEUR	7.8	7.1
Operating income	MEUR	0.7	0.5
Operating margin	%	9.5	7.0
Equity ratio	%	58.3	59.1
Gearing	%	-67.9	-80.8
Total assets	MEUR	5.1	4.7
Return on equity	%	21.4	15.7
Return on investment	%	25.0	19.6
Dividend yield	%	61.7	88.0
Dividends received by the State	MEUR	0.4	0.3
Investments	MEUR	0.0	0.0
Total personnel at 31 Dec.		68	63
Tax footprint in Finland	MEUR	2.6	2.3
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

Motiva operates as a promoter of energy and material efficiency as well as renewable energy, but in recent years it has expanded its operations to promote sustainable development more extensively. Motiva's operations include energy and material efficiency as well as the circular economy as key means of mitigating climate change in municipalities, companies and households.

Motiva is an in-house entity referred to in section 15 of the Act on Public Procurement and Concession Contracts (1397/2016) from which central government can purchase services without competitive tendering. The company's key customers are the Ministry of the Environment and the Energy Authority.

**SUSTAINABILITY** During the year, Motiva, as a sustainable development company, continued to support the sustainability transition throughout society, for example through energy efficiency agreements and various customer projects. Experiments related to a circular economy digital platform and ecosystem continued.

From an economic perspective, the year was excellent for Motiva. Its turnover increased by approximately 9 per cent, and its operating profit rose to 9.5 per cent. The company is financially stable, and its return on capital is good.

The coronavirus epidemic continued to have a negative impact on the market environment of the company's subsidiary Ympäristömerkintä Suomi Oy, but active measures such as strict cost monitoring helped limit this.

## Neova Oy

Neova Oy is a multisector company operating in the international market. Its business areas include growth platform business, local fuel solutions and New Business, which develops new business operations.

**State shareholding:** 50.1 %

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is to ensure the availability of domestic fuels for energy production, taking security of supply aspects into account.

### Board of Directors 31 December 2021

Jan Lång, Markus Tykkyläinen, Tuomas Hyyryläinen, Kirsi Punttila, Maija Strandberg, Stefan Damlin, Vesa Hätilä, Panu Routila

**Chief Executive Officer:** Vesa Tempakka

### KEY EVENTS 2021

- The company's subsidiary Kekkilä-BVB strengthened its position in the Central European growth platform market by means of an acquisition.
- Demand for energy peat from Neova decreased by 21% compared to 2020, and the company wrote off its related fixed assets.

Key financial indicators		2021	2020
Net sales	MEUR	514.6	544.9
Operating income	MEUR	511.2	-95.3
Operating margin	%	99.3	-17.5
Equity ratio	%	55.2	27.9
Gearing	%	3.4	152.6
Total assets	MEUR	780.9	758.5
Return on equity	%	181.7	-45.7
Return on investment	%	91.6	-15.7
Dividend yield	%	62	0
Dividends received by the State	MEUR	155.3	0
Investments	MEUR	84.6	68.9
Total personnel at 31 Dec.		922	1,031
Tax footprint in Finland	MEUR	8.7	25.1
tCO <sub>2</sub> e (Scope 1)		699,000	736,000
tCO <sub>2</sub> e (Scope 2)		15,000	18,000
tCO <sub>2</sub> e (Scope 3)		3,568,000	3,855,000

Neova's shift from an energy company towards new business areas is reflected in the 2021 financial results. The company's operating profit, which is higher than that of the comparison

period, is due to the sale of Nevel, a subsidiary engaged in the heat and electricity business, from which the company recorded a capital gain of about EUR 500 million. In addition, the Group's name changed from Vapo Oy to Neova Oy in spring 2021. Kekkilä-BVB, which operates in the growth platform market, accounts for the majority of the Group's turnover. Its turnover increased by 13 per cent from the previous year to around EUR 339 million, but relative profitability deteriorated due to a very high increase in raw material and freight prices. Demand for energy peat has declined rapidly over the past two years. The principal reason for this is the strong rise in the price of emission allowances, which, together with the increase in energy tax, made energy peat clearly more expensive than chips and roundwood. In 2021, the turnover of the Energy Peat sector was EUR 71.6 (86.9) million.

**SUSTAINABILITY** is an essential part of Neova's business and it will be developed in line with changes in the business environment and stakeholder expectations. In 2021, investments were made in reducing water and climate emissions, measures promoting biodiversity in areas where peat production was discontinued, by increasing the recyclability of packaging materials, and reducing waste loading and waste. Neova complies with the requirements of the RPP standard (Responsibly Produced Peat) in all its production countries.

After the financial year, Neova decided to continue the production of energy peat, which it had previously reported it would end, to meet customer demand in the new geopolitical situation.

## Patria Plc

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

**State shareholding:** 50.1 %

**Ownership steering:** Prime Minister's Office

### Interest of ownership

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

### Board of Directors 31 December 2021

Panu Routila (chair), Harald Aarø, Eirik Lie, Päivi Marttila, Jarle Naess, Ari Puheloinen, Ingerø Gyrid Skalleberg, Petri Vihervuori

**Chief Executive Officer:** Esa Rautalinko

### KEY EVENTS 2021

- Patria fared well in the Transparency International anti-corruption study
- The aim of the company's new growth strategy is to strengthen operational efficiency and economic results. The company's turnover target for 2025 is EUR 900 million.

Key financial indicators		2021	2020
Net sales	MEUR	547.7	534.1
Operating income	MEUR	61.2	40.3
Operating margin	%	11.2	7.5
Equity ratio	%	41.3	38.8
Gearing	%	50.2	72.1
Total assets	MEUR	765	694.7
Return on equity	%	22.5	15.3
Return on investment	%	13.7	9.5
Dividend yield	%	46.7	49.7
Dividends received by the State	MEUR	13	8.4
Investments	MEUR	12	13.6
Total personnel at 31 Dec.		3,097	2,973
Tax footprint in Finland	MEUR	93.0	82.1
tCO <sub>2</sub> e (Scope 1)		1,841	
tCO <sub>2</sub> e (Scope 2)		9,250	
tCO <sub>2</sub> e (Scope 3)		18,500	

Patria published its new growth strategy aimed at ambitious growth by the end of 2025. In addition, the company prepared a new operating structure to support its growth strategy, which

was introduced at the beginning of 2022.

The company's former business structure was dismantled, and was replaced with a cohesive and strong structure composed of Finland, Global, Portfolio and Operations. The related reorganisation negotiations covering the entire company were conducted in good cooperation between the personnel groups and the company. Patria ranked in the second-highest category, Category B, in the anti-corruption investigation by Transparency International Defence & Security.

The value of new orders received by Patria was EUR 588.7 (1400,2) million. Together with Patria, Finland and Latvia signed a framework agreement on the management of the production phase of the joint 6x6 armoured vehicle system. In addition, Latvia and Patria signed a supply contract covering more than 200 6x6 crew transport vehicles developed in the cooperation programme, including their support and training systems. Vehicle deliveries will take place in 2021-2029. Finland and Patria also signed a memorandum of understanding on Finland's future series delivery.

The decision on Finland's future F-35 fighters is a significant opportunity for Patria, which has been actively involved in the preparation of the project supporting the defence administration and the HX project. The most important thing has been to ensure domestic security of supply and maintenance of equipment and to ensure that the requirements of industrial cooperation are met. The fighter procurement decision will also open up access for Patria to the global F-35 production chain.

Patria has published its emission reduction targets and has joined the Science Based Targets initiative.

## Posti Group Corporation

Posti is one of the leading distribution and logistics companies in Finland, Sweden and the Baltic countries. The company has a wide range of postal, logistics, freight and e-commerce services. The Posti service network is the most comprehensive in Finland.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is the provision of postal services throughout Finland.

### Board of Directors 31 December 2021

Sanna Suvanto-Harsaae (chair), Per Sjödel (deputy chair), Harri Hietala, Sirpa Huuskonen, Kari-Pekka Laaksonen, Frank Marthaler, Satu Ollikainen, Minna Pajumaa, Hanna Vuorela, Raija-Leena Hankonen-Nybom

**Chief Executive Officer:** Turkka Kuusisto

### KEY EVENTS 2021

- Posti reformed its strategy. In accordance with the strategy, Posti will be a modern and increasingly profitable distribution and logistics company.
- Posti sold Itella Russia.

Key financial indicators		2021	2020
Net sales	MEUR	1,595	1,614
Operating income	MEUR	55	55
Operating margin	%	3.4	3.4
Equity ratio	%	39.5	34.9
Gearing	%	29.8	51.9
Total assets	MEUR	1,243	1,285
Return on equity	%	-3.4	6.7
Return on investment	%	7.1	7.3
Dividend yield	%	neg.	105
Dividends received by the State	MEUR	32	31.2
Investments	MEUR	82.8	105.7
Total personnel at 31 Dec.		15,414	16,134
Tax footprint in Finland	MEUR	256	260
tCO <sub>2</sub> e (Scope 1)		40,053	43,967
tCO <sub>2</sub> e (Scope 2)		7,008	8,380
tCO <sub>2</sub> e (Scope 3)		191,213	179,959

Posti reformed its strategy. Parcels and material flows are at the core of the new strategy. Growth will be sought in parcel transport and logistics in Finland, Sweden and the Baltic region. The

focus of the updated Group Strategy is on the continuous improvement of customer experience, operational efficiency, positive employee experience and zero emissions by 2030. The growth investments required by the strategy are substantial. With the new strategy, Posti also updated its long-term strategic objectives. The company will aim for an adjusted EBITDA of at least 13 per cent, a continuously increasing dividend (up to net profit). The company's net debt should be no more than 2.5 times the adjusted EBITDA.

**SUSTAINABILITY** Posti won the international World Sustainability Awards 2021 sustainability competition in the emission reduction series. The competition is organised together with EcoVades, a respected sustainability assessor. The aim of Posti is to be a completely zero-emission company by 2030. The Science Based Targets initiative has approved Posti's objectives.

The company's development in 2021 was in line with the new strategy, as parcel, online commerce and logistics accounted for 61 (59) per cent of the Group's external turnover, i.e. the share increased. Correspondingly, the share of postal services decreased to 38 (41) per cent of the Group's turnover. The distribution of the Group's turnover was influenced by an increase of 11 per cent in the volume of parcels in Finland and the Baltic countries and an 8 per cent decrease in the number of addressed letters. However, the increase in the parcel volume evened out at the pre-pandemic level. The company's business operations were negatively affected by a labour shortage, increased energy prices and the continued pandemic.



## Suomen Lauttaliikenne Oy

Suomen Lauttaliikenne operates cable ferries, ferries and connecting vessels on 42 routes throughout 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.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

**Interest of ownership**

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

**Board of Directors 31 December 2021**

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

**Chief Executive Officer:** Mats Rosin

### KEY EVENTS 2021

- The company won three tenders in 2021 for routes in the Turku archipelago in Nagu, Houtskär and Iniö

Key financial indicators		2021	2020
Net sales	MEUR	58.7	58.2
Operating income	MEUR	10.8	9.7
Operating margin	%	18.4	16.7
Equity ratio	%	70.8	69.3
Gearing	%	3.3	-8.3
Total assets	MEUR	77.0	72.1
Return on equity	%	15.9	16.0
Return on investment	%	18.2	19.2
Dividend yield	%	50.1	49.9
Dividends received by the State	MEUR	4.3	3.9
Investments	MEUR	16.1	15.3
Total personnel at 31 Dec.		348	346
Tax footprint in Finland	MEUR	22.5	21.6
tCO <sub>2</sub> e (Scope 1)		20,193	
tCO <sub>2</sub> e (Scope 2)		3,742	
tCO <sub>2</sub> e (Scope 3)			

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. Suomen Lauttaliikenne uses an auxiliary business name Finferries in its operations.

As in the previous years, the Group's business was stable and profitable. Customer satisfaction also remained at an excellent level: The average score given to the company by customers was 8.85 on a scale of 1-10. The company is making significant investments related to the electrification and renewal of its rolling stock. 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.

**SUSTAINABILITY** The company will build two new ground power chargeable battery hybrid vessels that will start operations in 2022 and 2023. Capacity will increase on both vessels' routes and CO<sub>2</sub> emissions will decrease significantly. Conversion work was also started on the vessel travelling the Nagu, Houtskär and Iniö routes. The vessels' main engines and catalytic converters will be replaced to reduce nitrogen emissions.

In 2021, the company also developed a new operating method for reaching cable ferry personnel and shift planning by reforming processes and establishing a manning centre.

## 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.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is to ensure the functionality of the markets of warehousing and handling of corn in a competition-neutral way and the non-disturbance of tasks related to the security of supply of the food chain and the EU's intervention activities.

### Board of Directors 31 December 2021

Petri Alava, Esko Pyykkönen, Anne Ilola, Tanja Viljanen, Leena Laitinen

**Chief Executive Officer:** Pasi Lähdetie

### KEY EVENTS 2021

- Suomen Viljava established a subsidiary, Oat Mill Finland, for the international oats export market.
- The lowest domestic cereal yield since 1987 in 2021 had a significant impact on the results for the whole year.

Key financial indicators		2021	2020
Net sales	MEUR	19.5	19.8
Operating income	MEUR	4.2	5.1
Operating margin	%	21.5	25.8
Equity ratio	%	60.1	69.8
Gearing	%	55.2	30.3
Total assets	MEUR	32.3	28.8
Return on equity	%	16.7	19.9
Return on investment	%	14.6	19.8
Dividend yield	%	121	100
Dividends received by the State	MEUR	4.0	4.0
Investments	MEUR	5.8	3.7
Total personnel at 31 Dec.		62	60
Tax footprint in Finland	MEUR	5.4	5.3
tCO <sub>2</sub> e (Scope 1)		0	
tCO <sub>2</sub> e (Scope 2)		222	
tCO <sub>2</sub> e (Scope 3)			

Viljava Finland is a fully state-owned, commercially active company of strategic interest. The company's basic business consists of cereal storage and processing services for

both import and export needs and the domestic market. The aim of the company's activities is the profitable growth of its turnover.

In spite of the challenges posed by the coronavirus pandemic, the first half of Viljava's year developed positively all the way to the new crop. The lowest domestic cereal yield since 1987 in 2021 had a significant impact on the results for the whole year. The volume of transit traffic increased as expected. Viljava established a subsidiary for the oat export market, which will invest in a new oat mill. In 2021, the company's turnover fell from EUR 19.8 million to EUR 19.5 million. The company's EBITDA decreased to EUR 7.2 million. Its operating income fell to EUR 4.3 million. Viljava's ability to pay dividends remained strong.

**SUSTAINABILITY** Viljava's aim is to be a pioneer in all areas of corporate sustainability in its sector. The company is an almost carbon neutral actor, and the focus in reducing its carbon footprint in coming years will be on the environmental impacts of the grain logistics chain. The grain dust heating plant completed in 2016 in the town of Koria has replaced the use of natural gas in the drying and heating of cereals. In addition, the company supplies heat produced with grain dust to the local district heating network. Personnel well-being and coping at work are an important part of Viljava's personnel strategy.

For just over the past three years, the share of exports has increased to more than 15 per cent of net sales. The focus of exports has been on the transit transport of cereals and other agribulk products from Russia and Kazakhstan.



## Tapio Oy

Tapio offers solutions for the sustainable use of forests and natural resources. Tapio's business areas include expert services, information and solutions as well as growth business.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### 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 31 December 2021

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

**Chief Executive Officer:** Anne Ilola

### KEY EVENTS 2021

- Tapio's turnover and operating profit increased. The development was particularly positive in expert services and the Metsälehti magazine.
- The reforms to the online shop and the ERP system were completed.

Key financial indicators		2021	2020
Net sales	MEUR	13.5	13.0
Operating income	MEUR	1.3	1.3
Operating margin	%	9.6	10.0
Equity ratio	%	64.5	65.3
Gearing	%	-44.0	-50.0
Total assets	MEUR	15.8	16.5
Return on equity	%	11.6	10.3
Return on investment	%	13.8	12.3
Dividend yield	%	66	183
Dividends received by the State	MEUR	0.7	1.8
Investments	MEUR	0.8	0.4
Total personnel at 31 Dec.		91	84
Tax footprint in Finland	MEUR	2.7	2.4
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

The Group produces expert services at Tapio Oy and Tapio Palvelut Oy, a subsidiary of Tapio. Tapio Oy acts as a central government stakeholder unit from which central government can purchase services without competitive tendering. The

Group's most important customer relationships in expert services are Finland's ministries and other central government actors as well as forest companies and other actors in forest bioeconomy.

The Information and Solutions business area at Tapio Palvelut Oy consists of the Metsä magazine, the Maps & Books unit and the digital forest planning system. Above all, the customers include forest owners, nature-lovers and forest service companies as well as other actors in the forest sector.

Tapio Palvelut Oy owns seed orchards in 14 locations. Seed trade customers include nurseries and forest service providers and forest owners who use seeds for forest sowing. Tapio Palvelut Oy's market share in forest tree seed trade in Finland is just under 50 per cent.

**SUSTAINABILITY** The growing conditions of trees will change significantly as a result of climate change during the lifespan of current plantings. Tapio plays an important role as a seed producer in preparing for changes in time so that the right seed material is available for the needs of Finnish seedling production and forest regeneration.

Tapio's financial results for the financial year were good. 2021 was also the first year of Tapio's renewed Group Strategy, and its implementation was strongly promoted. Development projects implemented and advanced during the year included a cohesive IT environment, a new online shop and ERP solution, the Etapio ForestKIT forest information system and an operating model for marketing communications.

## VR Group Oy

VR provides travel, logistics and maintenance services. The company's most important business areas are passenger transport and logistics.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The strategic interest is to ensure sufficient continuity of rail traffic.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Lauri Sipponen

### KEY EVENTS 2021

- The coronavirus pandemic, restrictions and remote work marked the year. Travel was focused to people's free time.
- VR negotiated a new public transport contract for 2022-2030 with the Ministry of Transport and Communications.

Key financial indicators		2021	2020
Net sales	MEUR	838	792
Operating income	MEUR	-22.7	-24.6
Operating margin	%	neg	neg
Equity ratio	%	66.4	63.7
Gearing	%	18.7	6.9
Total assets	MEUR	1,938	2,010
Return on equity	%	-1.1	-2.4
Return on investment	%	-0.5	-1.1
Dividend yield	%	neg	neg
Dividends received by the State*	MEUR	40	100
Investments	MEUR	156	164
Total personnel at 31 Dec.		5,630	5,818
Tax footprint in Finland	MEUR	94	7
tCO <sub>2</sub> e (Scope 1)		76,364	77,172
tCO <sub>2</sub> e (Scope 2)		9,770	8,003
tCO <sub>2</sub> e (Scope 3)		182,683	168,548

\*) return of capital

As was the case the previous year, the coronavirus pandemic had a significant impact on VR's business. In particular, the number of long-distance passengers recovered during the second half of the year from the previous year, but still remained significantly below the pre-pandemic level. Leisure traffic in particular developed

well as the coronavirus restrictions had a negative impact mainly on commuter traffic. The increased number of long-distance journeys and the occupancy rate had a positive impact on profitability. On the other hand, the increase in the price of electricity and oil brought challenges to the profitability of passenger transport. VR Transpoint's rail transport volumes increased, but e.g. increased energy costs were emphasised in profitability. The Group's comparable operating loss was EUR -14.1 (-26.1) million. The reported operating profit was also influenced negatively by an impairment of EUR 10.1 million caused by the collision of two Pendolino trains. Due to the coronavirus pandemic, the company has prioritised its investments but was still able to implement its planned investments during the year under review. Over the next six years, the company plans to invest approximately EUR 1 billion in Finnish rail rolling stock. The majority of the investments would focus on the purchase of new electric locomotives, electric trains and diesel locomotives and the maintenance of existing rolling stock. The company's balance sheet and financial standing remained stable and at a good level.

**SUSTAINABILITY** VR has defined environmental targets that apply to the entire group and extend to 2025. In addition to environmental matters, the company's corporate responsibility work emphasises the development of employee experience and safety.

The year was not completely successful in fulfilling sustainability targets. The company's operations will continue to emphasise investments in sustainability and the company will continue to develop its operations in accordance with its sustainability objectives.

## 14 Special assignment companies

### A-Kruunu Oy

A-Kruunu Oy is a non-profit rental housing developer. Its construction management operations commenced in 2014.

**State shareholding:** 100%

**Ownership steering:** Ministry of the Environment

#### Interest of ownership

The company's specific task is to build affordable rental housing in growth areas under its own ownership.

#### Board of Directors 31 December 2021

Matti Vatiilo (chair), Eero Saastamoinen (deputy chair), Mia Rainio, Teppo Salmikivi, Jaana Parviainen, Malviina Peltonen

**Chief Executive Officer:** Jari Mäkimattila

#### KEY EVENTS 2021

- The number of housing units started fell by around 70%. In 2022, the number of starts is expected to return to the previous level of over 600 apartments.
- The company has succeeded in expanding its development activities to growth areas outside the Helsinki Metropolitan Area where there is a need for housing.

Key financial indicators		2021	2020
Net sales	MEUR	15.7	10.4
Operating income	MEUR	6.8	4.5
Operating margin	%	43.3	42.7
Equity ratio	%	11.7	15.4
Gearing	%	650.5	455.9
Total assets	MEUR	469.4	356.8
Return on equity	%	0.0	0.0
Return on investment	%	1.7	1.5
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	117.4	92.4
Total personnel at 31 Dec.		30	22
Tax footprint in Finland	MEUR	12.4	9.3
tCO <sub>2</sub> e (Scope 1)		9.5	
tCO <sub>2</sub> e (Scope 2)		1,581	
tCO <sub>2</sub> e (Scope 3)			

During the operating year, the construction of 191 (659) apartments was started. At the end of 2021, a total of 771 (1,155) apartments were under construction. The number of housing starts was lower than the target due to a lack

of start-up opportunities – the number of plots and the number of projects available to builders. In standard ARA rental housing, the company accounted for 13.9% of housing starts in 2018-2020 and was the second largest developer. At the end of the year, the company owned 34 (24) housing projects with a total of 2,030 (1,455) apartments. The economic occupancy rate was 99.6% (99.8%) and the turnover rate was 21.3% (16.8%). Rent levels have remained reasonable. In 2019, it was decided to expand the company's operations beyond the Helsinki region to other major urban areas. Projects completed in 2021 are located in Nurmijärvi, Espoo, Sipoo, Jyväskylä, Tuusula, Kerava, Helsinki, Kuopio and Tampere.

#### SUSTAINABILITY A-Kruunu's sustainability

programme implements four themes. The company 1) enables comfortable and safe living, 2) builds sustainable urban environments, 3) supports sustainable social development and 4) invests in the work community. Each theme has its own set of goals. The Roadmap to Carbon Neutrality was completed and the target is particularly focused on reducing emissions from energy consumption. Building targets include A energy class, a significant share of wood construction and in-house renewable energy production.

The company is active in housing development. During the year, it had a number of developments underway for the construction of wooden apartment buildings. In addition, projects were underway to develop the concept of group rentals, smart housing sharing/combining and the concept of a service quarter.

## Alko Inc

The role of Alko is to carry out the retail sale of alcoholic beverages, which is its exclusive right under the Alcohol Act. At the end of 2021, Alko had 368 (364) stores, an online store and a mobile app. The store network was complimented by 143 (126) pick-up points.

**State shareholding:** 100%

**Ownership steering:** Ministry of Social Affairs and Health

### Interest of ownership

Special assignment under section 23 of the Alcohol Act (1102/2017): reducing alcohol-related harms

### Board of Directors 31 December 2021

Harri Sailas (chair), Markku Tervahauta, Laura Raitio, Kirsi Paakkari, Pekka Perttula, Ulrika Romantschuk

**Chief Executive Officer:** Leena Laitinen

### KEY EVENTS 2021

- Ensuring the health security of customers and staff in a variety of ways was important for the second consecutive year of the coronavirus pandemic.
- In the Data & Marketing Association of Finland's 2021 survey, Alko was ranked the best company in Finland in customer experience.

Key financial indicators		2021	2020
Net sales	MEUR	1,290.3	1,296.8
Operating income	MEUR	67.6	64.8
Operating margin	%	5.2	5.0
Equity ratio	%	37.5	36.7
Gearing	%	-141.5	-147.0
Total assets	MEUR	291.9	310.0
Return on equity	%	51.5	49.2
Return on investment	%	62.8	62.9
Dividend ratio	%	108.3	117.9
Dividends received by the State	MEUR	60.0	60.0
Investments	MEUR	5.1	6.1
Total personnel at 31 Dec.		1,957	1,869
Tax footprint in Finland	MEUR	994.6	994.6
tCO <sub>2</sub> e (Scope 1)		0	0
tCO <sub>2</sub> e (Scope 2)		1,057	631
tCO <sub>2</sub> e (Scope 3)		142,077	38,955

Alko had a total of 55.4 (57.2) million customers. At the end of the year, the online shop had 210,000 registered customers and the mobile app 180,000 users. The number of online shop orders grew by 27% compared to the previous year.

The age of young customers was verified 5.7 million times and just under 299,000 checks of suspected passing on of alcohol and over 472,000 checks of suspected intoxication were carried out. The result of mystery shopping tests, which measure the success of age checks, was at a good level (94%).

Alko received the best score in the National Customer Service Feedback Survey (KAP) by Taloustutkimus with an average score of 8.55 for the thirteenth year in a row. In addition, in the Data & Marketing Association of Finland's 2021 survey, customers ranked Alko's customer experience as the best in Finland. Of Finns, 61 per cent consider the current restrictions imposed by alcohol policy to be suitable or would like to see tighter restrictions (Kantar TNS Oy, Finnish Institute for Health and Welfare (THL) 2022).

**SUSTAINABILITY** Alko's mission is to be the most responsible alcohol retailer in the world and its vision is to be valued by its customers. The main theme for 2021 was the prevention of loneliness in society. Green Choice labelled products enable customers to make more responsible choices.

The main theme of responsibility was the prevention of loneliness. Loneliness was already a social challenge before the coronavirus pandemic, but it increased with the pandemic. The #perjantaijuhelu (#fridaycall) campaign reached around three million Finns. Over 40 million litres of Green Choice products were sold, which was an increase of 33 per cent. Professionally trained Alko staff play a key role in ensuring an excellent customer experience and responsible alcohol sales.

## Cinia Oy

Cinia is a datacommunications and IT conglomerate providing information networks, cyber security and software solutions. Cinia provides a wide range of datacommunications expertise and connection services, as well as datacommunications-intensive systems and software development services.

**State shareholding:** 77.5%

**Ownership steering:** Ministry of Transport and Communications

### Interest of ownership

Promoting high-capacity datacommunications connections of major importance for society.

### Board of Directors 31 December 2021

Esko Aho (chair), Janne Yli-Äyhö (deputy chair), Annika Ekman, Anni Vepsäläinen, Vesa Aho

**Chief Executive Officer:** Ari-Jussi Knaapila

### KEY EVENTS 2021

- Cinia became the development and maintenance supplier for the Emergency Response Centre Agency's ERICA emergency call centre system
- Cinia announced a cooperation agreement on the Far North Fiber submarine cable project in the Northwest Passage

Key financial indicators		2021	2020
Net sales	MEUR	75.6	59.7
Operating income	MEUR	6.4	6.7
Operating margin	%	8.5	11.2
Equity ratio	%	36.1	40.5
Gearing	%	61.5	64.2
Total assets	MEUR	147.8	120.6
Return on equity	%	9.0	9.9
Return on investment	%	7.0	8.1
Dividend ratio	%	12.0	6.0
Dividends received by the State	MEUR	0.4	0.2
Investments	MEUR	19.6	11.6
Total personnel at 31 Dec.		405	301
Tax footprint in Finland	MEUR	21.9	16.9
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

Compared to 2020, the Group's total net sales increased by approximately EUR 15.9 million, or 27%. Most of the growth came from the cyber security and software solutions businesses.

In information network solutions, the growth was in international connectivity services. The arrangement made in spring 2021, whereby Cinia became the provider of development and maintenance work for the Emergency Response Centre Agency's ERICA emergency call centre system, was responsible for much of the growth in the software services business.

The international connectivity services business continues to grow and is also an important focus of the company's development efforts. The extensive backbone network owned by the company was expanded and its technology upgraded during the financial year to improve competitiveness.

The project to build a submarine cable through the Arctic Northeast Passage was promoted under the name of the Arctic Connect (AC) joint project. It was decided to suspend this project at the beginning of summer 2021. At the end of the year, Cinia announced a cooperation agreement with an American company on a submarine cable project called Far North Fiber (FNF), which is planning to use the Arctic Northwest Passage route to connect data networks in Europe, Asia and North America.

**SUSTAINABILITY** The themes of Cinia's Sustainability Development Program are a healthy staff, a prosperous environment and a lively social infrastructure. Cinia wants to bring corporate social responsibility into its daily business operations in areas such as management, development and customer solutions, and has launched an environmental program with the aim of achieving carbon neutrality in its operations.

## CSC-IT Center for Science Ltd

CSC provides world-class ICT services for research, education, culture and public administration for the benefit of society at large.

**State shareholding:** 70%

**Ownership steering:** Ministry of Education and Culture

### Interest of ownership

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

### Board of Directors 31 December 2021

Jukka Mönkkönen (chair), Riitta Autere, Tua Huomo, Hannu Kempainen, Petri Myllymäki, Matti Sarén, Laura Vilkkonen

**Chief Executive Officer:** Kimmo Koski

### KEY EVENTS 2021

- The procurement and installation of the LUMI supercomputer of the EuroHPC project progressed. Activities exceeded targets in terms of equipment capacity.
- The objectives of the development programme for data management and computing infrastructure (DL2021) were achieved excellently. The program ended at the end of 2021 and the environment is fully operational.

Key financial indicators		2021	2020
Net sales	MEUR	56.4	54.7
Operating income	MEUR	1.3	2.5
Operating margin	%	2.3	4.6
Equity ratio	%	41.0	38.9
Gearing	%	-201.1	-181.0
Total assets	MEUR	48	41.8
Return on equity	%	11.2	27.0
Return on investment	%	15.7	35.1
Dividend ratio	%	0.0	0.0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	7.9	11.3
Total personnel at 31 Dec.		511	454
Tax footprint in Finland	MEUR	20.2	15.7
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

The procurement and installation of the LUMI supercomputer for the EuroHPC project progressed and the activity exceeded the project's objectives in terms of equipment capacity. Visibility and ease of use were promoted through a Finnish LUMI roadshow and training

sessions with the EuroHPC Competence Center and user support team. Two Finnish pilot projects have successfully tested LUMI.

The activities of the project office of universities' joint Digivisio2030 project got off to a good start. In the Academy of Finland's call for Finnish Research Infrastructures (FIRI) funding, CSC was awarded several grants, some jointly with client organisations. The objectives of the development programme for data management and computing infrastructure (DL2021) were achieved excellently.

**SUSTAINABILITY** CSC's data centres in Kajaani are among the world leaders in energy efficiency. In 2021, the electricity used in CSC's data centres and offices was entirely renewable energy. In its procurement, CSC follows Hansel's framework agreements, in which environmental considerations are taken into account.

The development of the National Research Information Hub's Tiedejatutkimus 2.0 has progressed on schedule, taking into account the planned entry into force of the separate statute on the Research Information Hub at the beginning of 2022. CSC successfully supported higher education institutions in the transition from the old Oodi system for teaching and learning support to the new Peppi and Sisu systems during 2017–2021. The Funet2020 network update was completed at the beginning of the year. The performance of network services during the transition was good. CSC collected customer and user feedback in various ways during the year. Customer satisfaction is at a good level, as evidenced by the expanding customer cooperation.



## DigiFinland Oy

DigiFinland is a non-profit in-house unit. The company develops and delivers national digital services to meet customers' needs.

**State shareholding:** 100%

**Ownership steering:** Ministry of Finance

### Interest of ownership

The special assignment is to develop and produce national digital services for the health and social services, rescue and other sectors and to support ICT interoperability and knowledge management.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Mirva Antila

### KEY EVENTS 2021

- Strengthening cooperation with customers and developing and consolidating operations
- Expanding the portfolio of services and preparing for the expansion of the ownership base

Key financial indicators		2021	2020
Net sales	MEUR	17.3	2.5
Operating income	MEUR	-1.3	-9.5
Operating margin	%	-7.5	-380.0
Equity ratio	%	80.5	97.5
Gearing	%	-97.7	-21.0
Total assets	MEUR	15.9	72.9
Return on equity	%	-3.1	-12.4
Return on investment	%	-3.1	-12.4
Dividend ratio	%	0.0	0.0
Dividends received by the State	MEUR	0	0.0
Investments	MEUR	0	0.0
Total personnel at 31 Dec.		74	61
Tax footprint in Finland	MEUR	3.8	1.0
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

DigiFinland produced the Omaolo service and the General Medical Helpline service nationwide. The Omaolo service also played a role in dealing with the coronavirus pandemic. The Hoidonperusteet.fi service for healthcare

professionals was launched. The customer segmentation service Suuntima was transferred to the company from Pirkanmaa Hospital District at the end of 2021. The company further developed the secure archiving of old healthcare and social welfare information systems as well as the Electronic Family Centre under the reform of child and family services. The company supported the wellbeing services counties in the implementation and expansion of the Omaolo service and in the development of health and social services data analytics and integrations. The company also participated in the national knowledge management development work, the AuroraAI national artificial intelligence programme and the development of knowledge management in wellbeing services counties (Virta project).

**SUSTAINABILITY** The company's Corporate Responsibility Plan 2021 was almost fully implemented. As part of the plan, the risk management tools were renewed, staff motivation was supported, a staff competency mapping and a job satisfaction survey were carried out, which resulted in a score of 4 (on a scale of 1–5).

On 24 August 2021, the Ministerial Committee on Economic Policy approved the continuation of the development work with the aim of expanding the company's business and ownership base to the wellbeing services counties, HUS Group and the City of Helsinki as of 1 January 2023. The State has held preparatory discussions on the ownership structure with the temporary administration of the counties, on the basis of which DigiFinland is seen as a joint in-house unit between the wellbeing services counties and the State.

## Equine College

Ypäjä Equine College is the leading center of equestrian vocational education, training and competitions in Finland. The College operates facilities for a national equestrian coaching centre and broadly develops training in the field.

**State shareholding:** 25.0%

**Ownership steering:** Ministry of Education and Culture

### Interest of ownership

Its special assignment mission is to maintain the Equestrian Vocational School and the National Equestrian Training Centre.

### Board of Directors 31 December 2021

Laura Airaksinen (chair), Jari Kesäniemi, Jukka Koivisto, Kaisa Kähö, Anne Laitinen, Juha Lyyski, Jukka Matilainen, Tanja Stormbom

**Chief Executive Officer:** (acting) Juha Lyyski from 7 May 2021 (previously Pauliina Mansikkamäki)

### KEY EVENTS 2021

- The Baltic and Nordic School and Dressage Championships were held in Ypäjä.

Key financial indicators		2021	2020
Net sales	MEUR	8.0	7.0
Operating income	MEUR	-0.1	-0.3
Operating margin	%	-1.3	-4.3
Equity ratio	%	71.7	74.5
Gearing	%	-72.7	-22.9
Total assets	MEUR	4.8	4.7
Return on equity	%	-2.9	-8.1
Return on investment	%	-2.8	-7.5
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	0.1	0.1
Total personnel at 31 Dec.		75	69
Tax footprint in Finland	MEUR	0.7	0.6
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

The coronavirus pandemic posed its own challenges for the implementation of teaching. The teaching was carried out using a hybrid model. Practical lessons were held at the school and distance learning was implemented in various ways, including e-learning.

Preparations for the autumn semester were dominated by the amendment of the Compulsory Education Act and the introduction of free secondary education. Teaching activities were strengthened by recruiting more teaching staff. The teaching output was 431 student years, 118 degrees and 27,000 credits.

**SUSTAINABILITY** Equine College's sustainability strategy is built on the Kestävät kavionjäljet project. It is part of the programme for sustainable development and green transition in vocational education and training.

A number of events and competitions were held at the Institute, despite the fact that the coronavirus pandemic occasionally affected the public's ability to attend events. Several training events were also organised via livestream.



## Erillisverkot Group

Erillisverkot 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 shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

Its special assignment is the construction and operation of networks used by public administrations to ensure the security of society and related services.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Timo Lehtimäki

### KEY EVENTS 2021

- A new fully Finnish and self-managed virtual data centre service, Turvapilvi, was launched.
- The company joined the Technology Industry Energy Efficiency Agreement and a Group-wide GHG calculation was completed.

Key financial indicators		2021	2020
Net sales	MEUR	109.0	104.4
Operating income	MEUR	11.9	6.9
Operating margin	%	11.0	6.6
Equity ratio	%	87.1	88.7
Gearing	%	-6.4	-5.8
Total assets	MEUR	273.1	257.2
Return on equity	%	4.2	2.4
Return on investment	%	5.2	2.9
Dividend ratio	%		
Dividends received by the State	MEUR	0	0
Investments	MEUR	22.7	34.3
Total personnel at 31 Dec.		341	379
Tax footprint in Finland	MEUR	17.7	14.6
tCO <sub>2</sub> e (Scope 1)		380	378
tCO <sub>2</sub> e (Scope 2)		885	914
tCO <sub>2</sub> e (Scope 3)		28,724	31,826

In the second year of the pandemic, the company continued its stable operation of secure and

mission-critical ICT services. In respect of the authorities' network Virve, active work towards the transition to broadband services continued in 2021. The aim is to switch to the new technology in stages from 2022 onwards.

The transformation programme of Erillisverkot, which has been underway since 2020 to provide better services to customers and a clearer and more efficient group structure, also made significant progress during 2021. At the turn of 2021–2022, Suomen Turvallisuusverkko Oy was merged into the Group's parent company, thus completing the second phase of the transformation programme. During 2021, the company also completed the sale of Deltago Oy to Kyberleijona Oy.

**SUSTAINABILITY** The first Group-wide GHG emissions calculation, including scopes 1, 2 and 3, was completed. The data will be used to reduce energy consumption and emissions. The company aims to reduce its energy consumption by 7.5% from 2020 levels by 2025 and achieve carbon neutrality by 2035.

In 2021, the company's turnover increased to EUR 109.0 (104.4) million and operating profit increased to EUR 11.9 (6.9) million. However, the reported operating profit figures for 2021 and the year before are not comparable, as both include a significant number of non-recurring items. The reported operating profit for 2021 is affected by, among other things, the EUR 12.5 million gain on the sale of Deltago Oy. The 2020 result included, among other things, a capital gain of EUR 2.5 million on the sale of Virve Tuotteet ja Palvelut Oy.

## FinnHEMS Oy

FinnHEMS provides emergency air ambulance services to the providers of prehospital emergency medical services, i.e. hospital districts. In addition to helicopters, the service includes the maintenance of bases and their medical vehicle operations.

**State shareholding:** 100%

**Ownership steering:** Ministry of Social Affairs and Health

### Interest of ownership

The strategic interest is the organisation of a national medical helicopter service.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Jari Huhtinen

### KEY EVENTS 2021

- The company acquired the Airbus H145 fleet under a leasing agreement and continued the financial leasing of the Airbus H135 fleet.
- The company signed a business transfer agreement on the transfer of the operational activities in Kuopio, Oulu and Rovaniemi to FinnHEMS Lentopalvelut.

Key financial indicators		2021	2020
Net sales	MEUR	29.1	30.0
Operating income	MEUR	0.3	-1.1
Operating margin	%	1.1	-3.5
Equity ratio	%	79	78
Gearing	%	-61	-66
Total assets	MEUR	30.3	30.5
Return on equity	%	0.7	4.9
Return on investment	%	1.3	4.9
Dividend ratio	%	0.0	0.0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	2.2	6.6
Total personnel at 31 Dec.		53	54
Tax footprint in Finland	MEUR	4.8	
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

FinnHEMS plays an important role in the care chain for high-risk emergency patients in Finland. During 2021, emergency centres transmitted

12,019 (13,874) paramedic tasks to FinnHEMS units, and the units faced 3,580 (3,714) patients. The number of calls was particularly affected in 2021 by the implementation of the national paramedic services emergency call change, which aims to target calls as appropriately as possible. As in previous years, the reliability of the helicopter service remained at a very high level.

During 2021, the company prepared to organise nationwide (excluding the Åland Islands) flight operations as its own production. The company reformed the flight operations responsibility organisation, updated the flight operations manuals and obtained the necessary regulatory approvals. FinnHEMS secured the helicopters needed for operations in the coming years through leasing agreements and procured the necessary maintenance and training services. The fleet arrangements will serve as a bridge to the transition to a dedicated helicopter fleet between 2026 and 2027.

FinnHEMS signed a business transfer agreement to transfer the operational activities of the northern bases to the subsidiary FinnHEMS Lentopalvelut Oy in early 2022.

Medical helicopter operations are expanding. The construction of the Seinäjoki base progressed on schedule and the base will be operational by the end of 2022. The coordination of medical helicopter operations at Kouvola Utti Airport with other airport operations required further studies in 2021, and preparations are still ongoing.

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.

## 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.

**State shareholding:** 98.0%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The special assignment is to maintain an aeronautical training institution.

### Board of Directors 31 December 2021

Kai-Petteri Purhonen, Tuula Lybeck, Juho Sinkkonen, Minna Hillos, Maunu Visuri

**Chief Executive Officer:** Juha Siivonen

### KEY EVENTS 2021

- The State acquired a majority stake in the shares of the Aviation Academy on 1 July 2021. Ownership increased to 98%. The State paid a total of EUR 8.15 million for the acquisition.
- Earlier Finnair Plc had announced its intention to divest its shareholding on the basis of a shareholders' agreement.

Key financial indicators		2021	2020
Net sales	MEUR	10.0	9.25
Operating income	MEUR	0.7	0.4
Operating margin	%	7.0	4.3
Equity ratio	%	92.8	94.4
Gearing	%	-40.1	-38.2
Total assets	MEUR	20.9	19.9
Return on equity	%	3.7	2.2
Return on investment	%	3.7	2.7
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	0.7	0.2
Total personnel at 31 Dec.		45	46
Tax footprint in Finland	MEUR	3.4	3.0
tCO <sub>2</sub> e (Scope 1)		760	
tCO <sub>2</sub> e (Scope 2)		400	
tCO <sub>2</sub> e (Scope 3)			

Finnish Aviation Academy Ltd is a specialised professional school, the purpose of which is

to meet Finland's need for commercial pilots by training high-quality pilots. 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 2021, the company's operations and financial situation remained stable. As a result of the coronavirus pandemic, student numbers have been adjusted to lower levels than in previous years. During the year, 24 pilots graduated. The company's net sales were EUR 10.0 million and operating profit EUR 0.7 million. Equity ratio was over 90%.

**SUSTAINABILITY** The Finnish Aviation Academy's corporate responsibility emphasises safety, especially flight safety, and it is paramount that the company's operations do not pose a risk to students, staff or third parties. In terms of the company's environmental sustainability, the focus is on emissions from aviation activities, for which the company has set reduction targets under the Paris Convention.

As regards sustainability measures, during the year it was decided to switch to geothermal energy and to invest in a new training simulator. Emissions from flight training can be reduced by shifting more training from aircraft to synthetic training devices, i.e. simulators. Safety was at an excellent level.

## Finnish Fund for Industrial Cooperation Ltd (Finnfund)

Finnfund promotes economic and social development in its target countries by financing private sector projects. Finnfund is a complementary risk financier to commercial finance and targets the bulk of its funding to low-income and lower middle-income developing countries.

**State shareholding:** 95.89%

**Ownership steering:** Ministry for Foreign Affairs

### Interest of ownership

Finnfund promotes economic and social development in its target countries by financing private sector projects.

### Board of Directors 31 December 2021

Robert Wihtol (chair), Helena Airaksinen (deputy chair), Nicholas Andersson, Jussi Haarasilta, Anu Hämäläinen, Hanna Loikkanen, Sari Nikka, Antero Toivainen

**Chief Executive Officer:** Jaakko Kangasniemi

### KEY EVENTS 2021

- Business was hampered by the coronavirus pandemic, with low exits and fund income.
- The company's strategy was updated to reflect changes in the operating environment.
- Project preparation targets were clearly exceeded and project impact remained high.

Key financial indicators		2021	2020
Net sales	MEUR	0	0
Operating income	MEUR	-12.5	-12.3
Operating margin	%	0	0
Equity ratio	%	37.3	41.7
Gearing	%	123.0	107.4
Total assets	MEUR	800.8	721.4
Return on equity	%	-4.3	-9.3
Return on investment	%	3.7	9.9
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	0.6	0.4
Total personnel at 31 Dec.		83	85
Tax footprint in Finland	MEUR	4.2	
tCO <sub>2</sub> e (Scope 1)			33,999
tCO <sub>2</sub> e (Scope 2)			12,223
tCO <sub>2</sub> e (Scope 3)			95,753

As in the previous year, Finnfund made a loss. One reason for this was the continuation of the coronavirus pandemic, which prevented

exits from equity investments, both from the company itself and from the funds invested in. In several countries of operation (Ethiopia, Ukraine, Myanmar), armed conflicts weighed on the valuations of the project companies.

Despite the challenges related to the operating environment, Finnfund made 28 new financing decisions in 2021, totalling EUR 241 million, of which as much as 44% went to LDCs and 60% to Africa. The balance sheet value of investment assets increased by EUR 49 million to EUR 657 million at the end of the year. In 2021, the State increased Finnfund's share capital by EUR 10 million. Finnfund also raised the remaining EUR 80 million of its 2019 loan. Based on the loss indemnity undertaking between the company and the State, the State will have to pay EUR 1.4 million in principal and interest related to the company's investment in M-Birr Ltd in Ethiopia in 2021.

**SUSTAINABILITY** Finnfund is in many ways a pioneer in the investment world when it comes to sustainability. An environmental and social responsibility assessment and development plan is carried out for each of the company's investments. The company also has a comprehensive corporate responsibility policy, complemented by separate policies on human rights, gender equality and fiscal responsibility.

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.

## Finnish Industry Investment Ltd (Tesi)

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

**State shareholding:** 100%

**Ownership steering:** Ministry of Economic Affairs and Employment

### Interest of ownership

Its special assignment mission is to develop the venture capital market, reform the economy and create growth companies.

### Board of Directors 31 December 2021

Kimmo Jyllilä (chair), Mia Folkesson, Jacob af Forselles, Anniina Heinonen, Minna Helppi, Riku Huttunen, Pauli Kariniemi

**Chief Executive Officer:** Jan Sasse

### KEY EVENTS 2021

- Tesi launched a joint EUR 100 million investment programme with the EIB as part of the EIB's European Guarantee Fund.
- Tesi continued the coronavirus financing programmes launched in 2020.

Key financial indicators		2021	2020
Net sales	MEUR	410.6	226.3
Operating income	MEUR	418.8	221.6
Operating margin	%	102.0	97.9
Equity ratio	%	92.9	94.5
Gearing	%	-28.6	-32.5
Total assets	MEUR	1,889.9	1,499.3
Return on equity	%	21.3	16.4
Return on investment	%	26.4	20.1
Dividend ratio	%	0.0	0.0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	192.6	175.5
Total personnel at 31 Dec.		44	35
Tax footprint in Finland	MEUR	32.6	10.0
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

In 2021, Tesi made investments totalling EUR 207 million. This also included the private equity business transferred from Finnvera. At the end

of the year, the equity investments managed by the company amounted to EUR 2,352 million. The investees included 109 funds and 119 portfolio companies.

Kasvurahastojen rahastot (KRR I-IV) funds, which invest in Finnish early-stage and growth funds in partnership with Finnish pension institutions, have invested in 40 funds with a portfolio of over 300 Finnish companies by the end of 2021. The Stability Programme and the Venture Bridge Programme, launched in 2020 to prevent the adverse effects of the coronavirus pandemic, continued their investment activities. A total of EUR 90 million from the programmes had been invested by the end of the year.

**SUSTAINABILITY** Tesi has invested heavily in developing responsible business practices. Responsible investment and the social impact of investments are at the heart of sustainability. During 2021, impact investing themes and an ESG tool for investment preparation were introduced.

In 2021, Tesi continued to conduct surveys to assess the impact of the coronavirus crisis on SMEs. The surveys were used extensively in the design of various coronavirus measures. The data from the surveys is freely available for everyone to use.

By the end of 2020, the number of jobs in Tesi's target companies was around 40,000, with a combined turnover of EUR 6.5 billion. 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 338 million.

## Finnish Minerals Group

The basic task of Finnish Minerals Group is to manage and develop the state's mining holdings and to develop the Finnish battery cluster. In addition to the parent company, the Group includes Terrafame Oy, Keliber Oy, Sokli Holding Oy and Finnish Battery Chemicals Oy and its subsidiaries.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

Its special assignment is the development and ownership of the battery and mining sector.

### Board of Directors 31 December 2021

Antti Kumm (chair), Janne Känkänen (Deputy Chair), Pauli Anttila, Teija Kankaanpää, Ilpo Korhonen, Jukka Ohtola and Eeva Ruokonen

**Chief Executive Officer:** Matti Hietanen

### KEY EVENTS 2021

- The development of the battery value chain progressed in the precursor, cathode-jet material and battery factory projects planned for Hamina, Kotka and Vaasa.
- The ramp-up of Terrafame Ltd.'s battery chemicals plant started in summer 2021.

Key financial indicators		2021	2020
Net sales	MEUR	378.5	338.3
Operating income	MEUR	-29.0	-17.5
Operating margin	%	-7.7	-5.2
Equity ratio	%	44.0	50.9
Gearing	%	30.4	19.6
Total assets	MEUR	1,114.3	975.9
Return on equity	%	-10.4	-3.9
Return on investment	%	-5.2	-0.2
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	144.2	190.4
Total personnel at 31 Dec.		909	888
Tax footprint in Finland	MEUR	25	-4
tCO <sub>2</sub> e (Scope 1)*		105,037	
tCO <sub>2</sub> e (Scope 2)*		82,546	
tCO <sub>2</sub> e (Scope 3)*		50,292	

\* tCO<sub>2</sub>e figures only include Terrafame Ltd.'s emissions

In line with the Finnish Mineral Group's strategy, the company seeks impact and financial return

on its investments, develops a responsible battery value chain in Finland and creates innovative business opportunities. The company's investment portfolio includes Terrafame Ltd. (67.1% ownership), Keliber Oy (20.4%) and Sokli Oy (100%).

The company's main asset is its Sotkamo-based subsidiary Terrafame Ltd., which produces nickel, zinc, cobalt and copper at its mine and metal plant in Sotkamo. In summer 2021, Terrafame started production of nickel and cobalt sulphate at its new battery chemicals plant. Keliber continued to prepare its lithium hydroxide project, with the aim to start production in 2025. Sibanye-Stillwater became Keliber's largest shareholder with the contribution of Finnish Minerals Group, whose financing will enable the development of the project. The company is actively exploring Sokli's ore potential and has launched a first-phase feasibility study.

**SUSTAINABILITY** In line with its vision, the company will make materials and products available to help Finland and Europe achieve climate neutrality. The carbon footprint of Terrafame's products is estimated to be around 60% lower than the industry average.

Finnish Minerals Group held negotiations on projects related to the development of the battery value chain with several potential business partners. A precursor plant project in Hamina is progressing in collaboration with the Chinese company CNGR Advanced Materials. The feasibility study for the planned cathode-ray material project in Kotka was completed and cooperation with Beijing Easpring in China will continue to implement the project.



## Finnpilot Pilotage Ltd

Finnpilot Pilotage provides pilotage services on all routes designated for pilotage in Finnish territorial waters and on the Saimaa. It has a statutory exclusive right to carry out pilotage activities.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The specific assignment is to ensure the provision of pilotage services and other pilotage-related tasks and duties laid down in the Pilotage Act in the waters defined in the Pilotage Act.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Kari Kosonen

### KEY EVENTS 2021

- Even in the exceptional situation caused by the coronavirus pandemic, the company was able to maintain the availability and security of the pilotage service without compromising safety.
- The company continued its active sustainability work by drawing up a sustainability programme with targets, indicators, responsibilities and monitoring.

Key financial indicators		2021	2020
Net sales	MEUR	35.2	35.8
Operating income	MEUR	-1.2	-0.6
Operating margin	%	-3.4	-1.8
Equity ratio	%	57.4	63.0
Gearing	%	-25.5	-23.4
Total assets	MEUR	23.2	23.7
Return on equity	%	-5.6	-2.7
Return on investment	%	-8.4	-4.1
Dividend ratio	%	neg.	neg.
Dividends received by the State	MEUR	0.5	0.5
Investments	MEUR	2.0	2.4
Total personnel at 31 Dec.		325	333
Tax footprint in Finland	MEUR	12.8	12.7
tCO <sub>2</sub> e (Scope 1)		3,532	3,648
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

The coronavirus pandemic has affected Finnpiilot's business. The company's operating result is negative for the second year in a row, despite the efficiency measures taken. In terms

of traffic, 2021 was a poor year. On the coast, the company missed its 2020 pilotage target by 1.9%. On Saimaa, the number of pilotages increased by 5.3% compared to the previous year.

The year 2021 coincided with a number of factors that will have a significant impact on the company's business. For the second summer in a row, cruise traffic was almost non-existent due to the coronavirus pandemic. In addition, the company's traffic volumes were affected by production stoppages caused by maintenance work at industrial plants and the closure of Neste Corporation's Naantali refinery early in the year. In addition to the decrease in traffic volumes, Finnpiilot's operations were burdened by increased costs due to higher fuel prices. The company has streamlined its operations and managed to cut costs by more than half a million euros during the coronavirus pandemic.

**SUSTAINABILITY** Finnpiilot published a sustainable development target in 2021: the company aims to cut its overall emissions by 50% by 2030.

At the beginning of the coronavirus pandemic, the Government identified pilotage as a critical sector for the security of supply of society. The company's role as a key player in Finland's security of supply was strengthened when it joined the water transport pool of the National Emergency Supply Agency.

Even during the coronavirus pandemic, Finnpiilot fulfilled its basic mission excellently. The company's strategic objective is punctual service, which it measures by the performance of pilotage in accordance with the terms of service. The target level is above 99 per cent and the company achieved 99.8 (99.9) per cent in 2021.

## Finnvera Plc

Finnvera is a Finnish state-owned specialised finance company and the official Export Credit Agency (ECA). Finnvera strengthens the operating conditions and competitiveness of Finnish companies by providing loans, guarantees and export credit guarantees.

**State shareholding:** 100%

**Ownership steering:** Ministry of Economic Affairs and Employment

### Interest of ownership

Finnvera is a state-owned specialised financier and Finland's official Export Credit Agency (ECA).

### Board of Directors 31 December 2021

Petri Ekman (chair), Antti Neimala (1st deputy chair), Terhi Järvikare (2nd deputy chair), Ritva Laukkanen, Pirkko Rantanen-Kervinen, Antti Zitting, Hannu Jaatinen

**Chief Executive Officer:** Pauli Heikkilä

### KEY EVENTS 2021

- In addition to addressing the coronavirus crisis and safeguarding the operating conditions of companies, Finnvera increasingly focused on enabling start-ups, growth, internationalisation, investment and exports.

Key financial indicators		2021	2020
Net sales	MEUR	409.5	779.0
Operating income	MEUR	164.0	-739.6
Operating margin	%	40.0	-94.9
Equity ratio	%	7.5	6.3
Gearing	%	1,200.0	869.4
Total assets	MEUR	12,220	12,673
Return on equity	%	19.2	-68.3
Return on investment	%	1.5	-6.5
Dividend ratio	%	0.0	0.0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	0.0	0.0
Total personnel at 31 Dec.		369	362
Total tax footprint in Finland, Finnvera Group	MEUR	19.0	15.5
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

At the end of 2021, Finnvera plc had approximately 25,800 customers and EUR 2.6 (2.4) billion in outstanding loans and guarantees in domestic public finance. The portfolio of export guarantees and special guarantees, including SME and midcap export guarantees and tender guarantees, amounted to EUR 22.6 (22.4) billion. In 2021, Finnvera financed nearly 2,400 start-ups, nearly 2,200 growth companies and contributed to the creation of around 8,600 new jobs through SME and midcap financing.

In the large companies business, the largest exposures were in the shipbuilding and shipyard, telecommunications and forest industry sectors. Finnvera is expected to be self-financing. Group profit for the financial year 2021 was EUR 153 (-748) million. The Group's cost/income ratio in 2021 was 23.5 (26.4) percent. Finnvera is exempted from business income tax. Of the ten business and ownership policy objectives set for 2021, four were achieved, four were partially achieved and two were not achieved.

**SUSTAINABILITY** Responsibility is the foundation of Finnvera's operations. In 2021, the company prepared its new strategy to meet the challenges of a post-coronavirus pandemic world, with sustainability as an increasingly strong pillar.

In Finnvera's new strategy, climate change has been highlighted as a specific factor guiding the company's operations – while traditional sustainability issues remain important. In 2021, work on sustainability management largely focused on setting targets and benchmarks for the climate impact of the projects funded.



## Governia Oy

Governia is a wholly state-owned special purpose vehicle whose balance sheet is used for the development and ownership arrangements of non-listed state-owned companies. The company is also tasked with developing the companies in its ownership.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The specific assignment is to act as a state investment company which can be used for special ownership arrangements.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Kai Heinonen

### KEY EVENTS 2021

- Kruunuasunnot drew up a carbon neutrality map.

Key financial indicators		2021	2020
Net sales	MEUR	21.1	27.1
Operating income	MEUR	4.7	6.2
Operating margin	%	22.3	22.9
Equity ratio	%	34.1	60.3
Gearing	%	158.5	31.0
Total assets	MEUR	456.0	247.2
Return on equity	%	4.1	3.9
Return on investment	%	2.2	3.1
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	210.0	31.8
Total personnel at 31 Dec.		24	25
Tax footprint in Finland	MEUR	6.1	3.6
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

Governia operates as a special assignment company fully owned by the state, which can be used for special ownership arrangements, and does not itself carry out business activities. At the end of the financial year, Governia owned Kruunuasunnot Oy, Pietarin Suomi-Talo Oy, GoK Oy and Rantasarfviik Oy.

The group company Kruunuasunnot Oy builds and leases non-subsidised homes and provides property management services. Kruunuasunnot is by far the largest of Governia's holdings in terms of turnover (EUR 20.1 million). During 2021, 114 new apartments were completed and 67 were under construction.

GoK Oy, another wholly owned subsidiary of the Group, engages in real estate development activities. Together with Sato Corporation, Rantasarfviik Oy owns unzoned raw land in Sarvviik in Kirkkonummi.

Pietarin Suomi-Talo Oy has developed the operations of Suomi-Talo in St Petersburg into a profitable service and customer centre.

**SUSTAINABILITY** Kruunuasunnot Oy prepared a carbon neutrality roadmap during the financial year. It aims to achieve carbon neutrality in the energy use of its buildings by 2030.

## Hansel Ltd

Hansel is a non-profit joint procurement unit of the public administration, owned by the Finnish State (65%) and Suomen Kuntaliitto ry (the Association of Finnish Municipalities) (35%).

**State shareholding:** 65%

**Ownership steering:** Ministry of Finance

### Interest of ownership

A joint procurement unit whose mission is to increase productivity in public administration and lead the way in effective and responsible public procurement.

### Board of Directors 31 December 2021

Anna-Maija Karjalainen (chair), Timo Reina (deputy chair), Antti Koivula, Antti Laakso, Johanna Luukkonen

**Chief Executive Officer:** Anssi Pihkala

### KEY EVENTS 2021

- Hansel's use of joint procurement contracts exceeded the one billion euro mark.
- Customer satisfaction (on a scale of 1 to 5) remained high: 4.05 for the whole company, 4.67 for tendering projects and 4.54 for procurement development services. Supplier satisfaction was also high at 3.90.

Key financial indicators		2021	2020
Net sales	MEUR	12.3	11.5
Operating income	MEUR	-1.5	-1.8
Operating margin	%	-12.2	-15.7
Equity ratio	%	25.5	62.3
Gearing	%	-183.8	-111.1
Total assets	MEUR	26.7	13
Return on equity	%	-17.4	-19.0
Return on investment	%	-17.4	-19.0
Dividend ratio	%	0.0	0.0
Dividends received by the State	MEUR	0	0.0
Investments	MEUR	0	0.0
Total personnel at 31 Dec.		116	118
Tax footprint in Finland	MEUR	4.7	4.3
tCO <sub>2</sub> e (Scope 1)		530	814
tCO <sub>2</sub> e (Scope 2)		65	
tCO <sub>2</sub> e (Scope 3)		466	

Year 2021 was the second full year in which Hansel offered its services to the entire Finnish public administration. In 2021, Hansel was

involved in EUR 2 billion of procurements, half of which were joint procurement contracts.

The use of Hansel contracts in 2021 was EUR 1,052 (916) million. Joint procurement returned to growth, although interest rates continue to have a negative impact on some categories, such as travel and meeting services. Sales of tendering services in 2021 amounted to EUR 2.2 (2.0) million, and sales of procurement development services amounted to EUR 402,000 (417,000).

Hansel's Procurement Development Unit is a major contributor to the Competence Centre for Sustainable and Innovative Public Procurement (KEINO). For 2021, the value of KEINO work was EUR 304,000 (162,000). Hansel finances its activities through a joint procurement service fee charged to contracted suppliers and through the sale of professional services. The average service charge in 2021 was 0.88 (0.95) per cent.

**SUSTAINABILITY** Hansel carried out an extensive study on the sustainability audits of contract suppliers. In addition, the carbon footprint of the company's own operations was analysed and the goal of a carbon-neutral Hansel 2030 was set. The first steps towards this goal have already been taken.

In line with its integration strategy, Hansel's vision is to unite Finland's public procurement power. The cornerstones of the strategy are to provide an excellent service experience and a wide range of services, as well as to act as a forerunner in responsible and effective procurement.

## HAUS Finnish Institute of Public Management

The impact of HAUS training and development in terms of turnover was EUR 8.4 million, of which EUR 2.1 million was good governance exports related to international activities.

**State shareholding:** 100%

**Ownership steering:** Ministry of Finance

### Interest of ownership

The special assignment is to provide training and development services for the reform of management and skills in administration.

### Board of Directors 31 December 2021

Timo Laitinen (chair), Ilona Lundström (deputy chair),  
Susanna Niinistö-Sivuranta, Laura Ylä-Sulkava

**Chief Executive Officer:** Kyösti Väkeväinen

### KEY EVENTS 2021

- Launch of the digitally designed Mahdollistaja Management Programme
- Cross-sectoral Y-akatemia training programme of the Ministry of Environment
- HAUS 50th anniversary

Key financial indicators		2021	2020
Net sales	MEUR	8.4	8.5
Operating income	MEUR	1.1	1
Operating margin	%	13.1	11.8
Equity ratio	%	69.4	48.5
Gearing	%	-176.0	-212.5
Total assets	MEUR	6.2	4.6
Return on equity	%	43.9	88.8
Return on investment	%	50.0	74.3
Dividend ratio	%	0.0	0.0
Dividends received by the State	MEUR	0	0.0
Investments	MEUR	0	0.0
Total personnel at 31 Dec.		37	40
Tax footprint in Finland	MEUR	1.9	1.8
tCO <sub>2</sub> e (Scope 1)			32
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

Services continued to be delivered remotely due to the coronavirus pandemic. The services were used by 135 organisations and 7,500 people attended training sessions during the year.

The digital learning platform eOppiva reached the 67,000 user mark. There were 41,000 completions. eOppiva piloted a micro-learning environment and implemented a podcast series. New training programmes were published during the year, such as customer relationship management in the government. Development activities included participation in major government development projects, such as the AuroraAI and point-of-sale development project, as well as various strategy and process development projects.

**SUSTAINABILITY.** The HAUS Sustainability Report is framed by a government guideline based on the UN Sustainable Development Agenda. HAUS has a direct impact on the three UN Sustainable Development Goals: 1) Good education 2) Peace, justice and good governance 3) Cooperation and partnership. In addition, HAUS indirectly contributes to eight other objectives.

On the international front, 16 projects were underway and a total of 1,200 development days were carried out. International activities were facilitated by the availability of remote missions and easier travel. Twinning went global and two projects were launched in Zambia.

The combined customer satisfaction of all HAUS services was 54 as measured by the NPS. HAUS accounted for 25% of all government training projects. Sustainability is linked to HAUS's strategy and business operations. Digital solutions are part of HAUS's corporate sustainability.

## Ilmastorahasto Oy (Climate Fund)

The Climate Fund is a state-owned special assignment company focused on fighting climate change, boosting low-carbon industry and promoting digitalisation.

**State shareholding:** 100%

**Ownership steering:** Ministry of Economic Affairs and Employment

### Interest of ownership

A special assignment is to fight climate change, accelerate low-carbon industrialisation and promote digitalisation.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Paula Laine

### KEY EVENTS 2021

- In 2021, the Climate Fund Board made seven funding decisions totalling EUR 45.5 million.
- During the year, potential future funding opportunities were identified and analysed, of which 319 existed at the end of 2021.

Key financial indicators		2021	2020
Net sales	MEUR	0.0	98.6
Operating income	MEUR	-3.3	95.91
Operating margin	%	0.0	97.3
Equity ratio	%	91.2	87.9
Gearing	%	-4.6	-3.0
Total assets	MEUR	2,897.5	3,883.7
Return on equity	%	1.3	5.0
Return on investment	%	1.6	6.0
Dividend ratio	%	0.0	0.0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	0.0	0.0
Total personnel at 31 Dec.		11	9
Tax footprint in Finland	MEUR	10.8	29.1
tCO <sub>2</sub> e (Scope 1)		0	
tCO <sub>2</sub> e (Scope 2)		0	
tCO <sub>2</sub> e (Scope 3)		77	

In 2021, the Climate Fund's activities focused on the launch and financing decisions, the recruitment and induction of staff, and the development of the company and its governance. The company made seven financing decisions for a total amount of EUR 45.5 million. By the

end of the year, EUR 6 million had been paid out to beneficiaries on the basis of financing decisions. Funding was allocated to projects such as the construction of a green hydrogen plant, the construction of a renewable energy plant to produce protein from carbon dioxide and electricity, and the development of a digital marketplace to enhance emission reductions. In addition, during the year, potential future funding opportunities were identified and analysed. At the end of the year, there were 319 potential financing targets for future operations. The EUR 300 million recapitalisation foreseen for the company in the seventh supplementary budget of 2020 was not implemented in 2021.

Each year, the company's Investment Council submits a written assessment to the Ministry of Economic Affairs and Employment on how the Climate Fund should develop its activities to achieve its objectives. The first evaluation of the Investment Council was carried out in autumn 2021. The final outcome of the evaluation was that the Climate Fund has started to operate in line with the expectations set out in the preparatory work. The Climate Fund is based on delivering climate and environmental impact through financial activities. Sustainability is at the heart of the company's operations. In 2021, the company has developed a sustainability programme, a comprehensive sustainability report and calculated the carbon footprint of its own operations.

**SUSTAINABILITY** If the business plans for each of the 2021 financing targets were fully successful, the combined cumulative 10-year emission reduction potential could amount to 186 million CO<sub>2</sub> equivalents. The risk-adjusted potential is less than 50 million CO<sub>2</sub> equivalents.

## Municipality Finance Plc

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

**State shareholding:** 16.0%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The special assignment is to secure affordable financing for the new production and renovation of state-subsidised housing.

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Esa Kallio

### KEY EVENTS 2021

- The company's financing of new projects during the year amounted to EUR 3.3 billion, returning to pre-pandemic levels.
- During the year, the company's long-term responsible financing increased to EUR 3.5 billion, or 47%.

Key financial indicators		2021	2020
Net sales	MEUR	535	532
Operating income	MEUR	240	194
Operating margin	%	45	36
Equity ratio	%	12.8	3.9
Own funds in relation to risk-weighted items	%	118.4	132.7
Total assets	MEUR	46,360	44,042
Return on equity	%	10.7	9.4
Return on all assets	%	0.4	0.4
Dividend ratio	%	21.0	13.1
Dividends received by the State	MEUR	6.4	3.3
Investments	MEUR	7.7	8.2
Total personnel at 31 Dec.		164	165
Tax footprint in Finland	MEUR	44.0	14.4
Annual avoided emissions from green finance projects (tCO <sub>2</sub> e)		85,557	50,620

Overall, the impact of the coronavirus pandemic on the company's financial position has been

smaller than expected. Due to Finland's better-than-expected economic performance and the temporary coronavirus subsidies granted by the government in 2020, demand for local government sector credit in 2021 was lower than expected. Municipality Finance's financing for new projects fell by around 31% to EUR 3.3 billion, returning to pre-pandemic levels. The company's long-term new borrowing also returned closer to pre-pandemic levels, at around EUR 9.4 billion or -14% in 2021.

**SUSTAINABILITY** Green funding increased to EUR 2.3 billion, or 30%, and social funding for equality and community increased to EUR 1.2 billion, or 98%. Annual avoided emissions from green finance projects were 85,557 tCO<sub>2</sub>.

The impact of the pandemic on utility housing finance has been limited throughout the crisis and demand for such finance continued to grow moderately in 2021.

In 2021, Municipality Finance's profitability was also at a good level, with an operating profit of EUR 240 million. Good financial performance has also strengthened the company's balance sheet position. There was also a significant change in the regulatory environment during the year, which resulted in the classification of the company as a public development credit institution. As a result of the change, the company can deduct its credit exposures to municipal and sovereign risk from its liabilities in the calculation of the minimum capital adequacy ratio. The change increased the company's minimum capital ratio from 3.9% to 12.8%.

## Solidium Oy

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.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

### Interest of ownership

The special assignment is to strengthen and stabilise domestic ownership of nationally important listed companies and to increase the economic value of ownership in the long term.

### Board of Directors 31 December 2021

Harri Sailas (chair), Aaro Cantell (deputy chair), Timo Ahopelto, Jannica Fagerholm, Jouko Karvinen, Marjo Miettinen, Jukka Ohtola, Laura Raitio

**Chief Executive Officer:** Antti Mäkinen

### KEY EVENTS 2021

- Solidium's return on equity investments for the period was 40.6 per cent compared to a weighted median return index of 35.6 per cent for peer groups.
- Announcement of the proposed mergers between Konecranes and Cargotec, Valmet and Neles.

Key financial indicators		2021	2020
Net sales	MEUR	0.0	0.0
Operating income	MEUR	-4.4	-3.8
Operating margin	%		
Equity ratio	%	91	95
Net asset value	MEUR	8,761	6,572
Total assets	MEUR	9,594	6,949
Return on investments at fair value	%	39.2	-7.9
Administrative cost ratio	%	0.06	0.05
Dividend ratio	%	187	
Dividends received by the State (incl. capital repayments in cash)	MEUR	868	0
Investments	MEUR	0.0	0.0
Total personnel at 31 Dec.		13	12
Tax footprint in Finland	MEUR	62	120
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)		686,402	2,153,798

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

sales. Solidium's operating loss for the period increased to EUR -4.4 (-3.8) million due to higher administrative and personnel expenses. Solidium's profit for the financial year 2021 of EUR 197 (211) million mainly consists of dividend income of EUR 219 (230) million.

During the financial year, Solidium raised a total of EUR 227 (410) million in share issues. With these acquisitions, Solidium increased its stakes in Nokia to 5.3%, Nokia Tyres to 8.8% and TietoEVRY to 10.9%. At the same time, Solidium received proceeds of approximately EUR 277 (578) million from the sale of shares. As a result of the divestments, ownership in Outokumpu fell to 18.9% and in SSAB to 6.3%. In addition, the entire ownership of Neles was sold to Valmet.

**SUSTAINABILITY** Solidium conducted both a CO<sub>2</sub> emissions intensity analysis and a climate ambition analysis of its portfolio companies. The result was that the carbon intensity and climate ambition of Solidium's portfolio is on average slightly better than that of its peers.

Major reorganisations also played an important role during the last financial year, when Konecranes and Cargotec announced their intention to merge. Immediately after the end of the financial year, Valmet and Neles published their merger plans. Both schemes are still awaiting regulatory approvals.

Solidium's portfolio was also affected by the recovery from the pandemic. Solidium's return on equity investments for the period was at a good level of 40.6 (-8.3) per cent, also compared to the weighted median return index of peer groups, which returned 35.6 (-5.7) per cent.



## STUK International Ltd.

The company provides regulatory expertise services related to the safety of nuclear energy and radiation use in close cooperation with the Radiation and Nuclear Safety Authority (STUK). Customers are mainly foreign radiation and nuclear safety authorities and other public sector actors.

**State shareholding:** 100%

**Ownership steering:** Ministry of Social Affairs and Health

### Interest of ownership

The company provides expert business services based on radiation and nuclear safety expertise, which will also contribute to the maintenance and development of the Radiation and Nuclear Safety Authority's expertise.

### Board of Directors 31 December 2021

Ilona Lindholm (chair), Kirsi Alm-Lytz, Petteri Tiippana, Jorma Aurela, Mika Niemelä

**Chief Executive Officer:** Pekka Ottavainen (until 30 June 2021)

### KEY EVENTS 2021

- A revised strategy.
- New assignments and clients at the end of 2021.
- Visibility at the Dubai World Expo.

Key financial indicators		2021	2020
Net sales	MEUR	0.0	0.3
Operating income	MEUR	-0.2	0.0
Operating margin	%		5.8
Equity ratio	%	98.7	67.0
Gearing	%	-100.0	-118.3
Total assets	MEUR	0.8	2.0
Return on equity	%	-56.4	2.4
Return on investment	%	-25.0	1.5
Dividend ratio	%		
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	0.0	0.0
Total personnel at 31 Dec.		0	1
Tax footprint in Finland	MEUR		
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

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 company's professional services are based on subcontracting. The most important partner

is 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.

**SUSTAINABILITY** The company contributes to the development of radiation and nuclear safety and related know-how and thereby contributes to the responsible use of radiation in industries worldwide. In its own operations, the company takes into account the principles of sustainability and equality in accordance with the UN's Sustainable Development Goals.

In its fifth year of operation, the company's business was in difficulty due to the coronavirus pandemic, and in the face of uncertainty, investments were directed towards the company's development plans, a new strategy and the exploration of new markets. Towards the end of the year, business opportunities started to pick up again and the company succeeded in winning new customers. The cornerstone of the new strategy is a clearer partnership with STUK, a deliberate expansion of business sectors and a focus on knowledge benefits and contributing to the development and responsible use of radiation and nuclear safety worldwide, building on STUK's strong reputation.

## Suomen Kaasuverkko Oy

The company's mission is to own and manage shares related to gas networks and other energy activities.

**State shareholding:** 100%

**Ownership steering:** Ministry of Finance

### Interest of ownership

Acting in special ownership arrangements for state gas networks.

### Board of Directors 1 January 2022

Seija Kivinen (chair), Tero Meltti, Mika Niemelä

**Chief Executive Officer:** -

Key financial indicators		2021	2020
Net sales	MEUR	0.0	0.0
Operating income	MEUR	0.0	0.0
Operating margin	%	0.0	0.0
Equity ratio	%	100	15.6
Gearing	%	0	538
Total assets	MEUR	338	339
Return on equity	%	14.9	-1.3
Return on investment	%	8.7	0.0
Dividend ratio	%	0.0	0.0
Dividends received by the State	MEUR	0.0	0.0
Investments	MEUR	0.0	0.0
Total personnel at 31 Dec.		0	0
Tax footprint in Finland	MEUR	0	0
tCO <sub>2</sub> e (Scope 1)		0.0	0.0
tCO <sub>2</sub> e (Scope 2)		0.0	0.0
tCO <sub>2</sub> e (Scope 3)		0.0	0.0

Suomen Kaasuverkko Oy was created on 1 January 2020 as a result of the total demerger of Gasonia Oy and its sole activity has consisted of owning 38,949,154 A-shares in Gasgrid Finland Oy, which entitles it to 73.49% ownership and 49.81% voting rights in Gasgrid. The remaining shares in Gasgrid are owned directly by the State.

The company operates as an owner in Gasgrid's ownership structure and both companies are controlled by the Ministry of Finance. It is a holding company whose sole purpose is to own shares in Gasgrid. The company has no staff and does not conduct any business.

During the financial year 2021, a process was initiated to merge the company into Gasgrid Finland Oy. The State owner recapitalised the company with EUR 256 million and the company paid off all its interest-bearing debts with EUR 286 million, making the company debt-free at the end of the financial year. The merger process was launched at the end of the 2021 financial year and will be completed during the first half of 2022, at which point the company will cease to exist. The 2022 financial year will be its last.



## Traffic Management Company Fintraffic Ltd

Fintraffic provides traffic management services for all modes of transport, as well as digital services and open data for the transport ecosystem. The company promotes safe, smooth and environmentally friendly traffic flow.

**State shareholding:** 100%

**Ownership steering:** Ministry of Transport and Communications

### Interest of ownership

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

### Board of Directors 31 December 2021

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

**Chief Executive Officer:** Pertti Korhonen

### KEY EVENTS 2021

- Improved safety, quality and efficiency of traffic management services
- Uninterrupted service provision despite the pandemic
- Operation of the transport data ecosystem to improve interoperability in the sector and the efficiency of travel and transport chains

Key financial indicators		2021	2020
Net sales	MEUR	209.7	182.4
Operating income	MEUR	6.1	-8.0
Operating margin	%	2.9	-4.4
Equity ratio	%	59.5	69.8
Gearing	%	23.4	-1.4
Total assets	MEUR	278.9	230.1
Return on equity	%	3.3	-5.7
Return on investment	%	3.1	-4.6
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	56.8	60.8
Total personnel at 31 Dec.		995	1,009
Tax footprint in Finland	MEUR	39.2	33.4
tCO <sub>2</sub> e (Scope 1)		23	77
tCO <sub>2</sub> e (Scope 2)		302	237
tCO <sub>2</sub> e (Scope 3)		23,500	23,500

Demand for air navigation services remained low due to the pandemic, resulting in continued layoffs and cost adjustments. Demand for road,

maritime and rail traffic management services remained close to the previous year's level.

The pandemic did not cause any disruption to service provision. Investments amounted to EUR 60.8 million.

Progress was made in implementing the strategy. Safety and quality levels in traffic management improved and the number of services provided increased. Road, maritime and rail traffic management services are estimated to have become more efficient by around EUR 25 million in 2019–2021. In air traffic control, Fintraffic is one of the most efficient service providers in Europe. Despite improved road, maritime and rail traffic management, the current level of funding for services is insufficient to meet needs.

In 2021, the company invited transport stakeholders to join the open Transport Data Ecosystem network of 130 organisations. The ecosystem aims to improve the use of data, create a fair digital business environment and provide domestic and international travel and transport chain services. Fintraffic distributed 30% more traffic data to the ecosystem than in the previous year.

Sustainability work progressed: the company decided to become carbon neutral in 2023 and signed up to the UN Global Compact.

**SUSTAINABILITY** Services reduce accidents, emissions, travel time and costs for all modes of transport. The company is making a tangible impact, mitigating climate change and protecting the environment. Greenhouse gas emissions of the company's own operations will be zero already by 2023.

## 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.

**State shareholding:** 100%

**Ownership steering:** Prime Minister's Office

**Interest of ownership**

Special assignment established in the Lotteries Act.

**Board of Directors 31 December 2021**

Olli-Pekka Kallasvuori, Leena Vainiomäki, Hanna Sievinen, Christian Cedercreutz, Anne Larilahti, Juha Pantzar, Pekka Hurtola

**Chief Executive Officer:** Olli Sarekoski

### KEY EVENTS 2021

- Mandatory identification at gaming machines and extended loss limits came into force.
- The reform of the Lotteries Act was approved by the Parliament in December 2021. The reform and the interpretation of law will have a significant impact on the company's future operating conditions in the digitalising gambling market.

Key financial indicators		2021	2020
Net sales	MEUR	1,100.1	1,260.3
Operating income	MEUR	680.4	680.5
Operating margin	%	61.8	54.0
Equity ratio	%	84.5	82.4
Gearing	%	-17.1	-17.9
Total assets	MEUR	1,003.4	1,032.9
Return on equity	%	81.7	68.2
Return on investment	%	81.8	68.3
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	33.3	29.7
Total personnel at 31 Dec.		1,441	1,592
Tax footprint in Finland	MEUR	126.0	220.9
tCO <sub>2</sub> e (Scope 1)		568	744
tCO <sub>2</sub> e (Scope 2)		2,227	1,798
tCO <sub>2</sub> e (Scope 3)		42,194	47,512

Veikkaus' 2021 turnover, or gaming cover, was EUR 1,100 million, or -12.7% compared to the previous year, and its profit was EUR 680 million.

The decline in the margin was particularly affected by the coronavirus pandemic and the introduction of mandatory identification and mandatory loss limits for slot machines. Most of Veikkaus' slot machines and dedicated gaming sites were closed for about four months at the beginning of the year. The company's market share of the Finnish gambling market fell to 74%, or -5 percentage points. The decline in market share means that the Finnish gambling authorities' control is focused on a decreasing share of total gambling.

**SUSTAINABILITY** In 2021, Veikkaus continued to make significant progress in building a more responsible gaming environment. These include mandatory identification at gaming machines from 2021 and mandatory loss limits extended in September. With identification, customers have access to a number of gambling management tools to prevent potential gambling problems from arising in the first place. These measures have a significant downward impact on both gambling harm and performance.

Veikkaus has commissioned extensive population-level surveys with Taloustutkimus focusing on the prevalence of problem gambling using the same methodology since 2017. The results of the 2021 survey show a significant decrease in the prevalence of gambling problems. The reform of the Lotteries Act entered into force at the beginning of 2022. Veikkaus was able to set up a new subsidiary focusing on international business-to-business transactions. The Prime Minister's Office authorised the establishment of the subsidiary on 19 January 2022.

## VTT Technical Research Centre of Finland Ltd

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

**State shareholding:** 100%

**Ownership steering:** Ministry of Economic Affairs and Employment

### Interest of ownership

VTT promotes the exploitation and commercialisation of research and technology in industry and society.

### Board of Directors 31 December 2021

Pekka Tiitinen (chair), Heli Antila, Jukka Kola, Harri Leiviskä, Teemu Moisala, Erno Muuranto, Marja-Riitta Pihlman

**Chief Executive Officer:** Antti Vasara

### KEY EVENTS 2021

- Despite the pandemic, VTT has managed to maintain customer confidence. Ongoing customer projects have progressed as planned, with significantly more new contracts signed than in the previous year.
- The Quantum Computer Co-Development Laboratory (QuCoLab), where quantum computers will be housed, was completed in June 2021.

Key financial indicators		2021	2020
Net sales	MEUR	153.7	148.9
Operating income	MEUR	16.5	13.3
Operating margin	%	10.7	8.9
Equity ratio	%	68.5	69.3
Gearing	%	-74.7	-73.9
Total assets	MEUR	295.7	284.1
Return on equity	%	8.6	7.3
Return on investment	%	9.8	8.4
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	21.3	20.4
Total personnel at 31 Dec.		2,130	2,103
Tax footprint in Finland	MEUR	41.6	39.0
tCO <sub>2</sub> e (Scope 1)			
tCO <sub>2</sub> e (Scope 2)			
tCO <sub>2</sub> e (Scope 3)			

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. VTT's research activities will focus on the systemic and technological challenges defined in the strategy to develop the world-class knowledge needed.

VTT contributes to the achievement of the UN Sustainable Development Goals and the EU's dual digital-green transition, as well as Finland's national carbon neutrality and other societal goals. The innovation ecosystems launched by VTT accelerate the development of new solutions for energy, transport, circular economy and industry with a broad network of partners. To take advantage of the energy revolution, a blueprint for a clean and smart urban solutions development environment has been created. Specific funding for the circular economy has been used to develop circular economy capacities, for example to combine circular economy and data solutions and to develop new models for circular economy value creation and distribution.

**SUSTAINABILITY** VTT published its own sustainability programme. VTT identified the correlations between the challenge framework and the UN Sustainable Development Goals and identified the most central ones for VTT. An approach was developed to identify SDG linkages at project level. VTT joined the UN Global Compact network.

A key element of research and innovation is the use of experimental research and technology infrastructure and demonstration and piloting activities. VTT has continued to invest in its pilot and research environments to ensure the continuous development of excellence.

## Yleisradio Oy

The company is responsible for the provision of versatile and comprehensive television and radio programming with the related additional and extra services for all citizens under equal conditions. These should be provided in public communication networks nationally and regionally.

**State shareholding:** 99,98%

**Ownership steering:** Management Board appointed by the Parliament / Ministry of Transport and Communications

### Interest of ownership

To make comprehensive television and radio programming and related ancillary and extra services available for all citizens.

### Board of Directors 31 December 2021

Matti Apunen, Paulina Ahokas, Tuomas Harpf, Kai Huotari, Sirpa Ojala, Stefan Wallin, Katri Viippola

**Chief Executive Officer:** Merja Ylä-Anttila

### KEY EVENTS 2021

- Multilingualism, interaction and new partnerships at the heart of the supply.
- The use of Yle Areena increased to record levels.
- Online services reached 68% of all people aged 15 and over.

Key financial indicators		2021	2020
Net sales	MEUR	499.9	487.6
Operating income	MEUR	-5.6	8.8
Operating margin	%	-1.1	1.8
Equity ratio	%	36.8	38.6
Gearing	%	24.5	12.7
Total assets	MEUR	372.0	368.7
Return on equity	%	-4.1	5.2
Return on investment	%	-2.9	4.7
Dividend ratio	%	0	0
Dividends received by the State	MEUR	0	0
Investments	MEUR	88.0	82.5
Total personnel at 31 Dec.		3,361	3,296
Tax footprint in Finland	MEUR	93.3	98.8
tCO <sub>2</sub> e (Scope 1)		419	
tCO <sub>2</sub> e (Scope 2)		20,864	
tCO <sub>2</sub> e (Scope 3)			

Yle continued to invest systematically in the development of content and services, digital renewal and the development of skills and work culture in line with its strategy.

The coronavirus pandemic continued to require special arrangements and change management in the company's operations. Overall, Yle did a good job and maintained a balanced budget. Yle's strong digital capability ensured rapid changes in supply during the period of coronavirus restrictions and flexible remote working for staff, building on the good practices of the previous year. Operations important for security of supply ran normally.

Confidence in Yle remained high. Yle maintained its position as the most watched and trusted news provider in Finland. Yle's content and services reached the majority of Finns, 94% every week. The use of Yle Areena has increased to record levels during the coronavirus period. The European Football Championship and the Tokyo Olympics reached millions of viewers on YLE channels.

**SUSTAINABILITY** Diverse content and services contribute to the vitality of different population groups, regions, languages and cultures, and to equality between citizens. Key themes include responsibility for the appropriate use of the Yle Tax and the role of an employer in a creative sector. Sustainability is guided by values, strategy and ethical principles.

Yle cooperates regularly with the commercial media. In 2021, preparations were made for an amendment to the law that will enter into force on 1 August 2022, which will clarify Yle's role as a public service media company. The amendment is based on a complaint to the European Commission by Medialiitto ry (the Finnish Media Federation).

## 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. The estimates presented for the amount of dividend payments by companies are subject to an exceptionally high 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 ratios presented are calculated by the Ownership Steering Department in accordance with the formulae set out below. The key figures may differ from those calculated by the companies. The differences are due, among other things, to which items are included in the company's comparable profit from time to time.

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

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

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

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

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

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

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

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

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

**Scopes 1, 2 and 3:** The Greenhouse Gas Protocol (GHG Protocol) divides emissions into three scopes. Scope 1 includes direct emissions from a company, which are generated on-site as a result of the company's own activities. Scope 2 includes indirect emissions related to purchased energy from sources such as electricity and heat production. Scope 3 includes all indirect emissions from the end use of products and the purchase of goods and services.

**Absolute emissions** (tCO<sub>2</sub>e) are calculated on the basis of State ownership as reported by the companies for scope 1, 2, 3 emissions. The level of emissions reporting varies from company to company.

**Emissions intensity/carbon intensity** is calculated as the ratio of reported emissions (tCO<sub>2</sub>e) and the turnover (EUR million) of ownerships of companies according to State ownership.

## State ownerships and parliamentary mandates 31 December 2021

Listed companies	Ownership steering	Category	State ownership interest &	Minimum ownership %
Anora Group Corporation	Solidium Oy	1a	19.4	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 Oyj	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 <sup>1)</sup>	PMO	1b	44.7	33.4
Nokia Plc	Solidium Oy	1a	5.3	0.0
Nokian Tyres plc	Solidium Oy	1a	8.8	0.0
Outokumpu Plc	Solidium Oy	1a	15.5	0.0
Sampo Plc	Solidium Oy	1a	6.0	0.0
SSAB	PMO	1b	6.3	0.0
Stora Enso Plc	Solidium Oy	1a	10.7	0.0
TietoEVRY Plc	Solidium Oy	1a	10.9	0.0
Valmet Plc	Solidium Oy	1a	11.1	0.0
<b>Total (qty)</b>		<b>16</b>		

1) 8.31% of Neste Plc's shares are held in the balance sheet of Climate Fund

Non-listed commercial companies	Ownership steering	Category	State ownership interest &	Minimum ownership %
Arctia Ltd	PMO	1b	100.0	50.1
Boreal Plant Breeding Ltd	PMO	1b	65.0	50.1
Finavia Corporation	PMO	1b	100.0	100.0
Fingrid Oyj <sup>2)</sup>	MoF	1b	28.2	50.1
Finnish Seed Potato Centre Ltd	PMO	1b	22.0	0.0
Gasgrid Finland Oy <sup>4)</sup>	MoF	1b	100.0	50.1

Non-listed commercial companies	Ownership steering	Category	State ownership interest &	Minimum ownership %
Gasum Corporation <sup>3)</sup>	PMO	1b	100.0	50.1
Kemijoki Ltd <sup>5)</sup>	PMO	1a	50.1	0.0
Leijona Catering Oy	PMO	1b	100.0	100.0
Mint of Finland Ltd	PMO	1a	100.0	50.1
Motiva Oy	PMO	1b	100.0	100.0
Neova Ltd	PMO	1b	50.1	33.4
Nordic Morning Group Corporation	PMO	1a	100.0	0.0
Patria Plc	PMO	1b	50.1	50.1
Posti Group Corporation	PMO	1b	100.0	50.1
Suomen Lauttaliikenne Oy	PMO	1b	100.0	100.0
Suomen Viljava Oy	PMO	1b	100.0	100.0
Tapio Ltd	PMO	1b	100.0	100.0
VR-Group Ltd	PMO	1b	100.0	100.0
<b>Total (qty)</b>		<b>19</b>		
<b>Commercial companies in total</b>		<b>35</b>		

2) National Emergency Supply Agency 24.9%. The total share of voting rights of the State (and NESÄ) is 70.9%.

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

4) MoF 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 of ownership require approval of the shareholders' agreement



Companies entrusted with special state assignments	Ownership steering	Category	State ownership interest &	Minimum ownership %
A-Kruunu Oy	MoE	2	100.0%	100.0%
Alko Inc	MoSAH	2	100.0%	100.0%
Asset Management Company Arsenal Ltd <sup>6)</sup>	MoF	2	100.0%	100.0%
Business Finland Oy <sup>7)</sup>	MEAE	2	100.0%	100.0%
Cinia Oy	MTC	2	77.5%	50.1%
CSC-IT Center for Science Ltd	MoEC	2	70.0%	50.1%
DigiFinland Oy	MoF	2	100.0%	100.0%
Equine College	MoEC	2	25.0%	0.0%
Erillisverkot Group	PMO	2	100.0%	100.0%
FinnHEMS Oy	MoSAH	2	100.0%	100.0%
Finnish Aviation Academy Ltd	PMO	2	98.0%	33.4%
Finnish Fund for Industrial Cooperation Ltd (Finnfund)	MFA	2	93.4%	50.1%
Finnish Industry Investment Ltd	MEAE	2	100.0%	100.0%
Finnish Minerals Group	PMO	2	100.0%	100.0%
Finnish Railway Ltd	MTC	2	51.0%	50.1%
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	MoF	2	65.0%	50.1%
HAUS Finnish Institute of Public Management	MoF	2	100.0%	100.0%
Ilmastorahasto Oy (Climate Fund)	MEAE	2	100.0%	100.0%
Municipality Finance Plc	PMO	2	16.0%	0.0%
Oppiva Invest Oy*	Finnish National Agency for Education	2	100.0%	100.0%
Pohjolan Rautatiet Oy <sup>6)</sup>	MTC	2	100.0%	100.0%
Solidium Oy	PMO	2	100.0%	100.0%
STUK International Ltd.	MoSAH	2	100.0%	100.0%

Companies entrusted with special state assignments	Ownership steering	Category	State ownership interest &	Minimum ownership %
Suomen Kaasuverkko Oy	MoF	2	100.0%	100.0%
Traffic Management Company Fintraffic Ltd	MTC	2	100.0%	100.0%
Turku One Hour Train Ltd	MTC	2	51.0%	50.1%
Veikkaus Ltd	PMO	2	100.0%	100.0%
VTT Technical Research Centre of Finland Ltd	MEAE	2	100.0%	100.0%
Yleisradio Oy	MTC	2	100.0%	100.0%
<b>Total (qty)</b>		<b>33</b>		
<b>All companies (qty)</b>		<b>68</b>		

6) In receivership

7) Ownership steering by Business Finland

\* Ownership steering by the Finnish National Agency for Education

MTC = Ministry of Transport and Communications

MoEC = Ministry of Education and Culture

MoSAH = Ministry of Social Affairs and Health

MEAE = Ministry of Economic Affairs and Employment

MFA= Ministry for Foreign Affairs

MoF = Ministry of Finance

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

MoE= Ministry of the Environment

**Company category 1 a:** 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 category 1 b:** 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 category 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 policy 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/](http://valtioneuvosto.fi/en/)  
[julkaisut.valtioneuvosto.fi](http://julkaisut.valtioneuvosto.fi)

ISBN: 978-952-383-732-4 PDF  
ISBN: 978-952-383-716-4 printed  
ISSN: 2490-0966 PDF  
ISSN: 2490-0613 printed