



FINNISH
GOVERNMENT

State's Expectations & Ownership Steering Model – Case Finferries

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State's Portfolio

Prime Minister's Office



Other ministries



Key ownership figures 2023

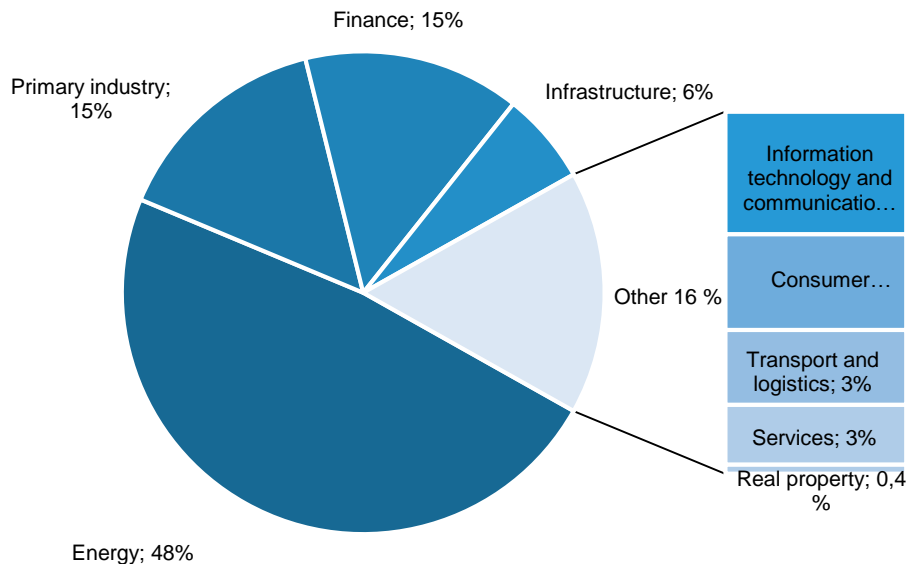
Number of
companies
73

Investments
7.6
EUR billion

Value of state
corporate
holdings
37
EUR billion

Dividends and
share sale
proceeds
1,6
EUR billion

Breakdown of State ownership by industry in 2023



State's goals as the owner

- **Long-term increase in shareholder value and predictable revenue** from its corporate holdings.
- Companies are expected to be **at the forefront of sustainability business conduct**.
- **Efficient implementation** of the strategic interests and special assignments.
- Objectives vary according to **the ownership interest**.

Special
assignment

Strategic
interest

Finance
interest

General ESG-expectations

- As an owner, **the State expects companies to lead the way in sustainable business.**
 - Sustainability must be integral part of the corporate strategies and business models.
 - Identify relevant sustainability risks and opportunities.
 - Set ambitious targets for short-term and long term improvements.
 - Integrate sustainability into remuneration.
 - Report on sustainability in their AGMs and in their annual reports.



Climate friendliness as part of sustainability program

Growing and preserving shareholder value

Climate-friendly company portfolio embracing green transition.



Companies integrate sustainability into their remuneration.



Companies act as responsible employers and seek a competitive advantage through diversity.



Companies are reducing biodiversity-related harm and increasing biodiversity-enhancing activities.



Companies assess sustainability of their own operations and value chains and ensure that due diligence is carried out.



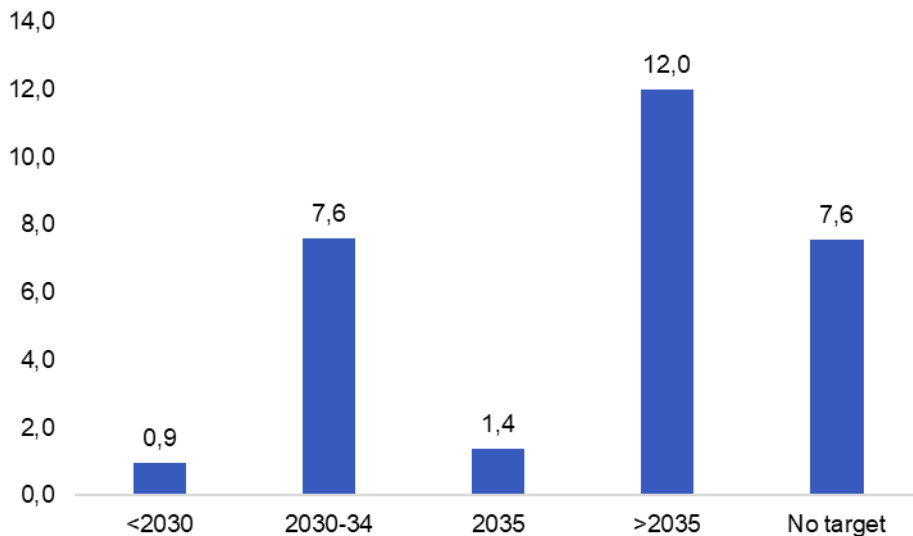
Companies take human rights into account in their own operations and value chains and ensure that they do not violate human rights.



A frontrunner in sustainability – both owner and companies

- Companies are expected to:
 - Consider the goal of a **carbon-neutral Finland by 2035** and the **Paris Agreement's** goal of limiting global warming to 1.5 degrees Celsius.
 - **Measurable targets** that are ambitious compared to their peer companies and **an action plan (transition plan)** for reducing emissions.
 - **Take advantage of business opportunities** offered by the green transition.

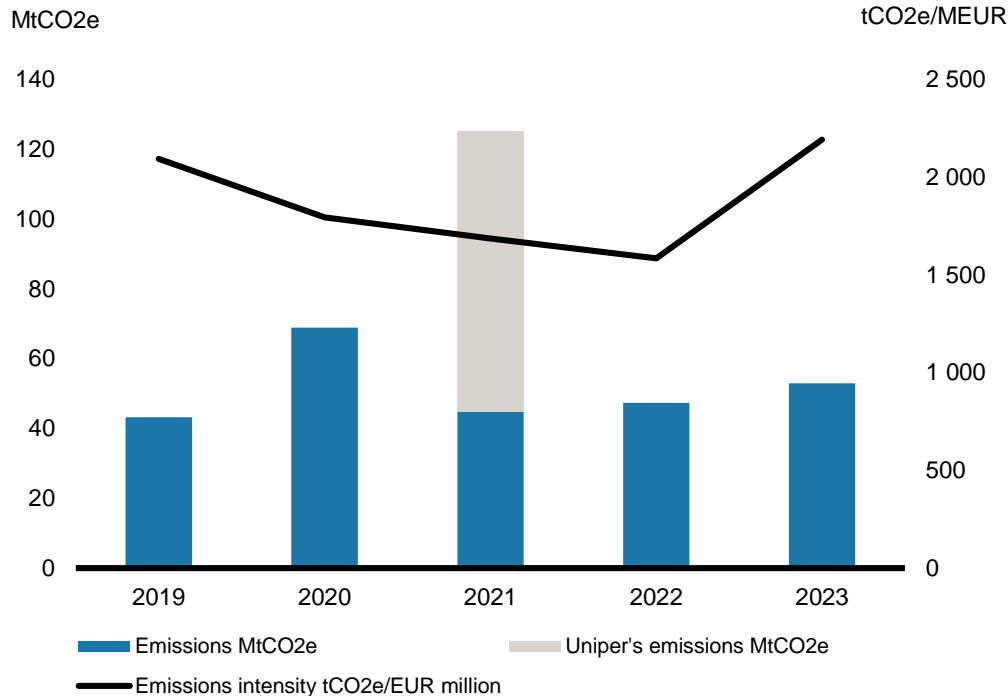
Companies' carbon neutrality target year relative to their value, EURb



- State-owned companies, which constitute **29 percent**, or 10.0 billion euros, of the value of state-owned companies, **aim to be carbon neutral by 2035 at the latest.**

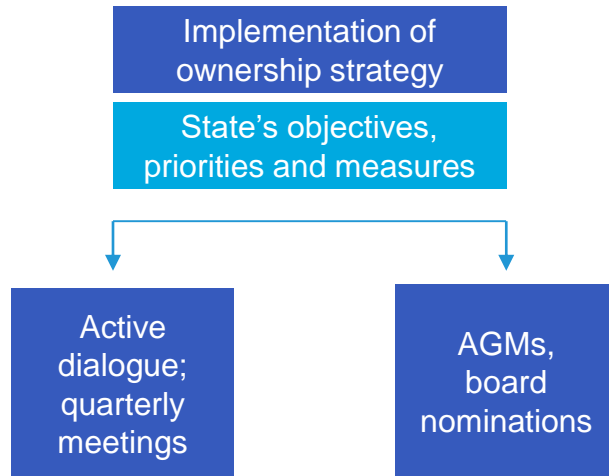
*The review does not include companies owned through Solidium. There is variation among companies in whether the carbon neutrality target also covers emissions from the value chain

Total emissions and emissions intensity of the ten most emitting State-owned companies



- Based on the State's ownership, the carbon footprint of companies that reported their emissions was 54 (48) million tonnes of CO₂e in 2023.
- Fortum's total emissions decreased significantly compared to last year, but increased scope 3 emissions from Neste and SSAB raised the total emissions of state-owned companies.

Day-to-day ownership steering



Suomen Lauttaliikenne

- **Suomen Lauttaliikenne** is responsible for ferry, cable ferry and commuter ferry traffic throughout Finland on a total of 48 routes.
- **State ownership:** 100%
- **Ownership steering:** Prime Minister's Office
- **Strategic interest** is to secure cable and other ferry services as part of Finland's public road network
 - **State's goals as the shareholder:** long term increase in shareholder value + sustainability (environmentally friendly ferries + safety)
- **Government Programme:** The Government will ensure the functioning of the archipelago transport system, encompassing ferries, cable ferries and commuter ferries. - - *Efforts will be made to replace some of the archipelago fleet, especially commuter ferries. Where possible, ferries will be electrified.*



LAUTTA-ALUS ALTERA



LAUTTA-ALUS STELLA



YHTEYSALUS OTAVA



YHTEYSALUS INNAMO



LOSSI PUOTOSALMI 130 T



LOSSIVAND 70 T



Thank you

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