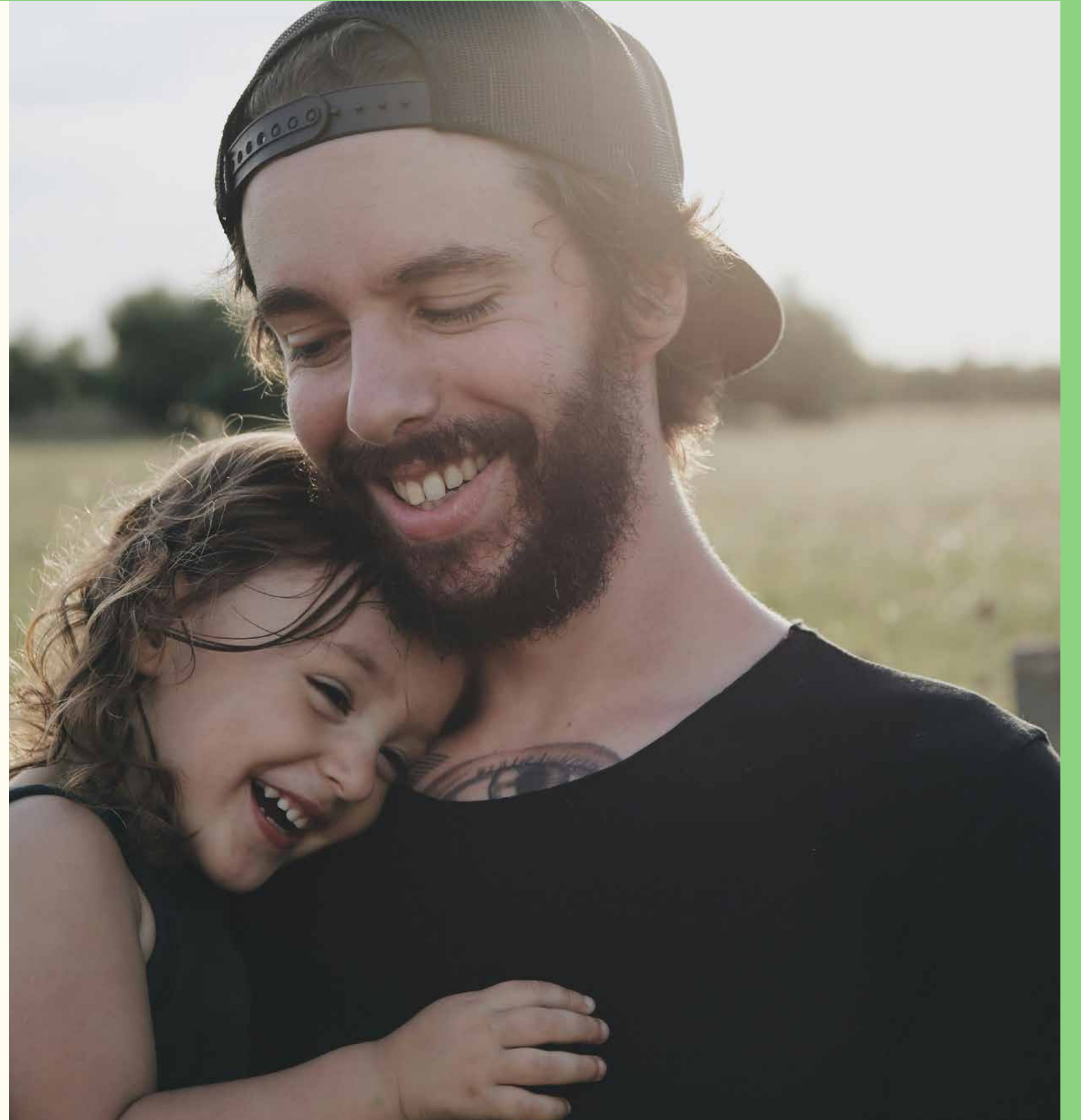


Annual Report 2023

Y-Säätiö



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Annual report 2023

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Annual Report 2023

Y-Säätiö

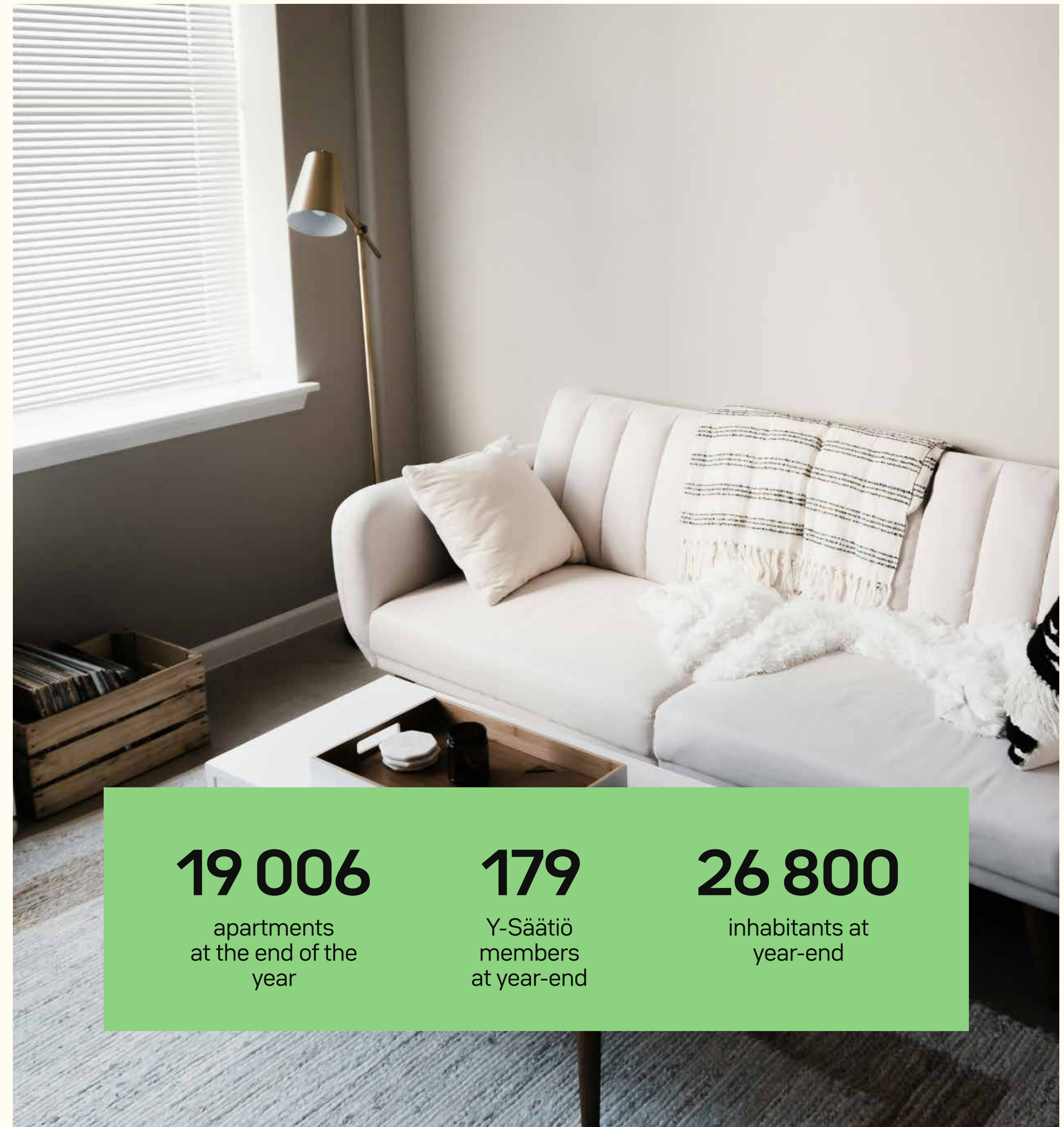
Y-Säätiö Group

Y-Säätiö Group is a homelessness specialist and the largest national non-profit landlord. At the end of 2023, the Group will own 19 006 rental apartments across Finland.

Y-Säätiö employs 179 housing professionals. The basic mission of the organisation is to prevent and eliminate homelessness and thus promote social justice.

The priorities of our strategy are economically and socially well-off residents, a fair transition towards carbon-neutral living and the elimination of homelessness in Finland and its reduction internationally.

Y-Säätiö promotes social justice by providing affordable rental housing. All our work is based on the Housing First principle.



19 006

apartments
at the end of the
year

179

Y-Säätiö
members
at year-end

26 800

inhabitants at
year-end

Y-Säätiö Group's apartments are M2-Kodit rental apartments and Y-Kodit. The social and economic well-being of our residents is at the heart of our operations. Our residents can rely on affordable, sustainable and secure housing. Y-Säätiö is a public benefit and non-profit landlord.

Organisation of the Y-Säätiö and main activities

Y-Säätiö is divided into seven units, which work together seamlessly. The Customer Unit is responsible for the rental and customer service of housing for Y-Säätiö and M2-Kodit and housing advice. The real estate unit is responsible for the management of the properties owned by the company, and technical life cycle, repair and energy management. The Building Unit is responsible for the construction of the company's new buildings.

The Development Unit carries out research and development work on homelessness. The unit is also home to Housing first Network Developers, a network open to all homelessness actors, funded by STEA and coordinated by Y-Säätiö. The unit is involved in international cooperation, research and several development projects are underway.

The following units support the organisation: the Finance Unit is responsible for the company's accounting, payment transactions, rent accounting, collection and the management of tenancy agreements during the tenancy period. The management of the tenancy agreements. The Communications Unit is responsible for the external and internal marketing and communication of the company, as well as building and increasing the positive brand awareness of the company. In the Administration Unit develops the organisation's activities, including through human resources and legal services.

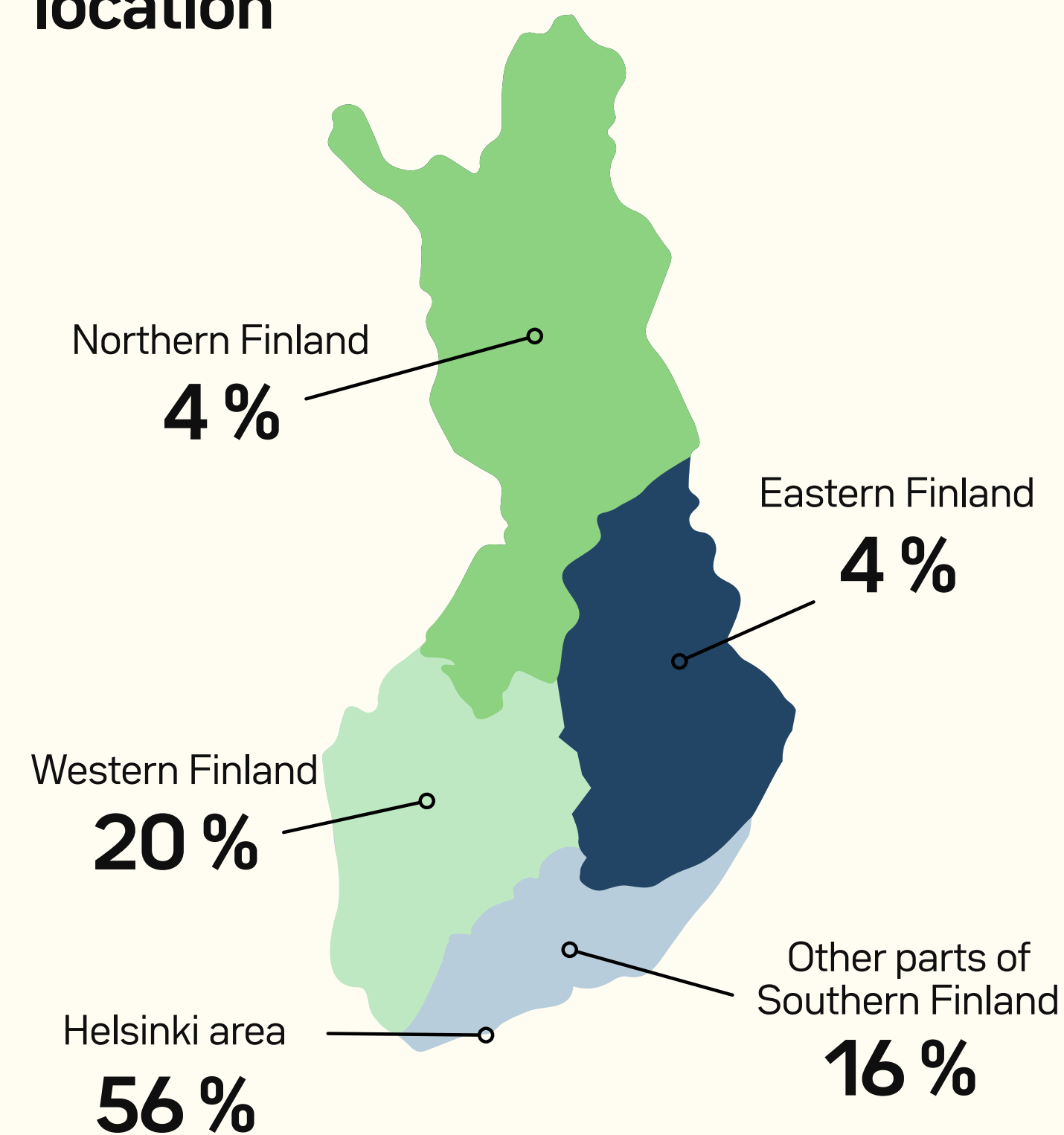
Y-Säätiö is managed by the Board of Directors and the CEO. The founding members of the Foundation meet annually at the Annual General Meeting, which elects the Foundation's Board of Directors every two years for a two-year term.

Operating environment and risks to sustainability objectives

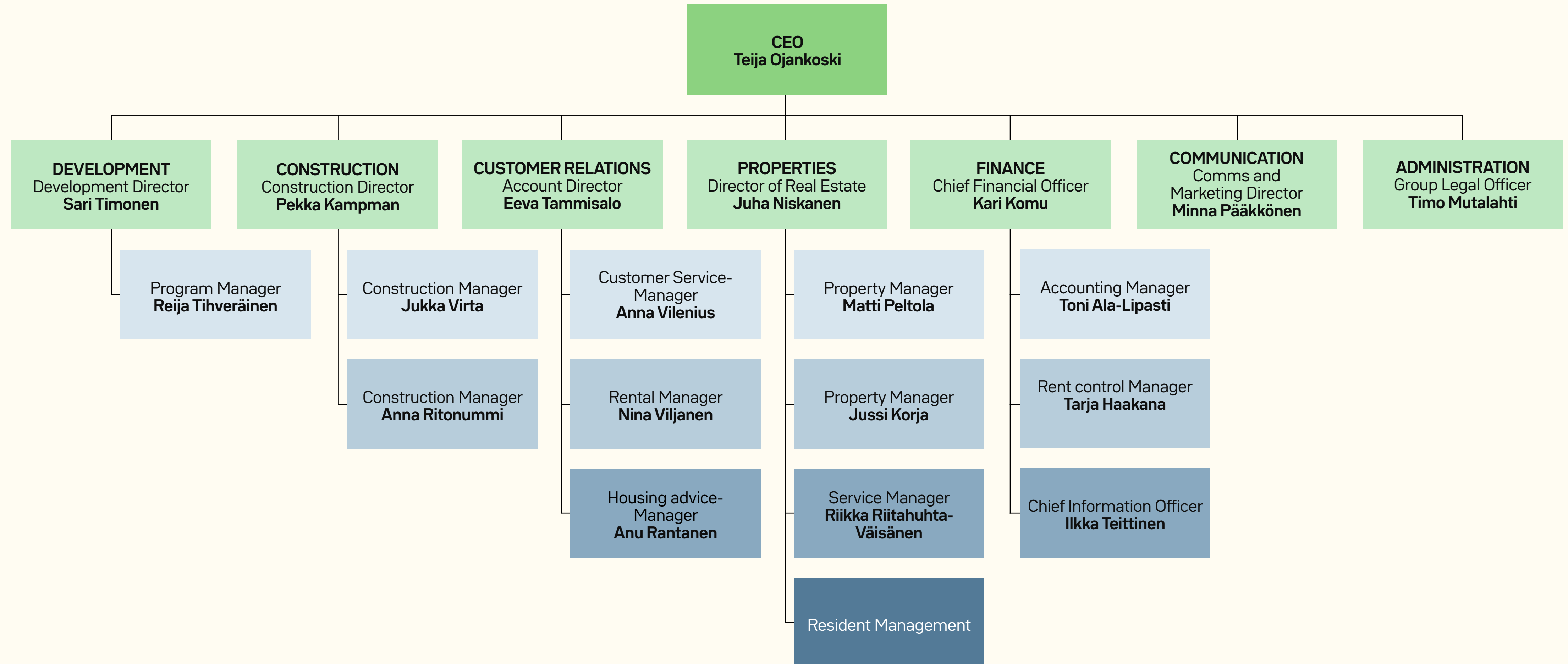
In order to achieve its objectives in line with its strategy, values and responsibility themes, Y-Säätiö Group annually maps its operating environment and its impacts through a risk mapping exercise. During 2023, the operating environment has changed due to rising interest rates and increased economic uncertainty. These factors have had an impact on the general increase in housing prices and construction costs.

Inflation slowed in late 2023 and the ECB is expected to start lowering interest rates in 2024. 427 new dwellings completed in Y-Säätiö Group in 2023, and competition for good tenants has been fierce, which has been reflected in the group's occupancy rates. Achieving the occupancy target will remain a challenge in 2024. As a counter-cyclical player the Group's construction activity will remain strong in the current year.

Housing stock location



Y-Säätiö Group



Values, mission, vision and service promise

VALUES

COURAGE

We are boldly on people's side even when others are not. We show the way, make decisions and implement our plans with an open mind.

RELIABILITY

We do what we promise.
Our tenants can count on affordable housing, continuity of tenure and security.

DECENT HOUSING

Our work is based on indivisible human dignity. We treat residents equally. We offer affordable rental housing. All our work is based on Housing first.

Y-Säätiö

MISSION

A Home for All

VISION

We are the solution to homelessness a pioneer in the eradication of homelessness, promoting the well-being of its residents

SERVICE PROVISION

We are here for you

Strategic Objectives 2023–2030

MISSION
A Home for All

VISION
We are the solution to homelessness a pioneer in the eradication of homelessness, promoting the well-being of its residents

Key Objectives

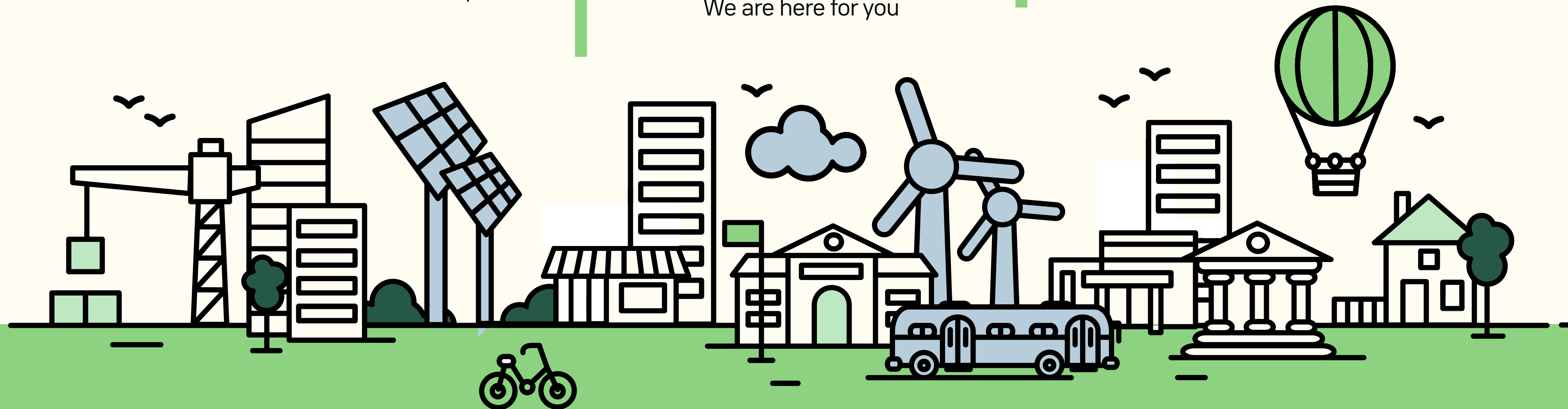
Our residents are economically and socially well-off.
We are moving towards a carbon-neutral life.
We will eliminate homelessness in Finland and reduce it internationally.

Y-Säätiö

SERVICE PROVISION
We are here for you

Conditions for Success

We maintain the professional skills of our staff.
We are a financially stable company.
We use digital tools efficiently.





Editorial

As I write this editorial, I feel deep pride in the work of Y-Säätiö and its significance in building a more sustainable society. The year 2023 has been a milestone for Y-Säätiö, as we have implemented numerous projects that support affordable housing and reduce homelessness in Finland.

We are particularly proud of the Housing First model, which has reduced homelessness in our country and attracted international attention. This model proves that with well-targeted measures, we can achieve significant results in eliminating homelessness.

Throughout the year, we have strengthened our reputation and increased stakeholder support, as evidenced by the annual Trust & Reputation survey conducted by T-Media. It is gratifying to see that our efforts in homelessness work and housing have been widely recognized. In 2023, we completed 427 new homes across Finland, demonstrating our commitment to providing affordable housing for people in various life situations.

In the spring, we launched Y-Säätiö's first marketing campaign, in which ice hockey coach Jukka Jalonen emphasized the theme "It is a privilege to be able to come home." The campaign underscored the importance of having a home in homelessness work. At the end of the year, both M2-Kodit and Y-Säätiö were signatories to our campaign. With the message "Homes for life situations," we wanted to remind people during the holiday season that having a home is not a privilege but a human right.

In the spring, we launched the Nordic Homelessness Alliance network, aiming to expand our cooperation with Nordic partners in combating homelessness. Additionally, we have participated as experts in several countries, sharing information about Finland's Housing First model. In June, the Royal

Foundation launched a homelessness program in England, in which I was involved as a representative of Y-Säätiö. Our active participation in discussions on homelessness both in Finland and internationally continues, and we will organize seminars in the future.

Y-Säätiö employs nearly 200 housing professionals across Finland who are dedicated to helping both housing applicants and our current residents. We are proud of the recognition we have received as a responsible employer and summer workplace, and we want to continue investing in the well-being of our employees.

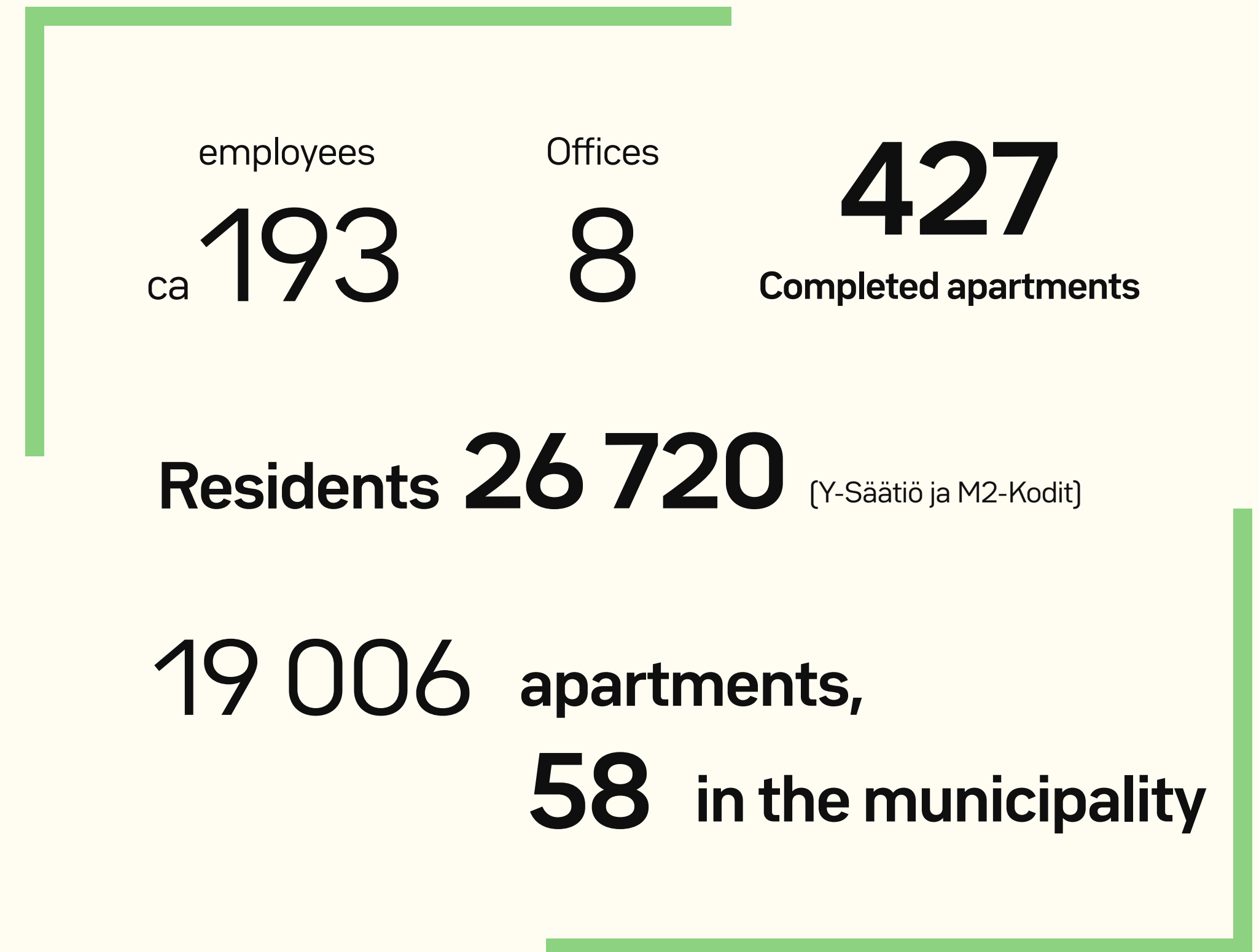
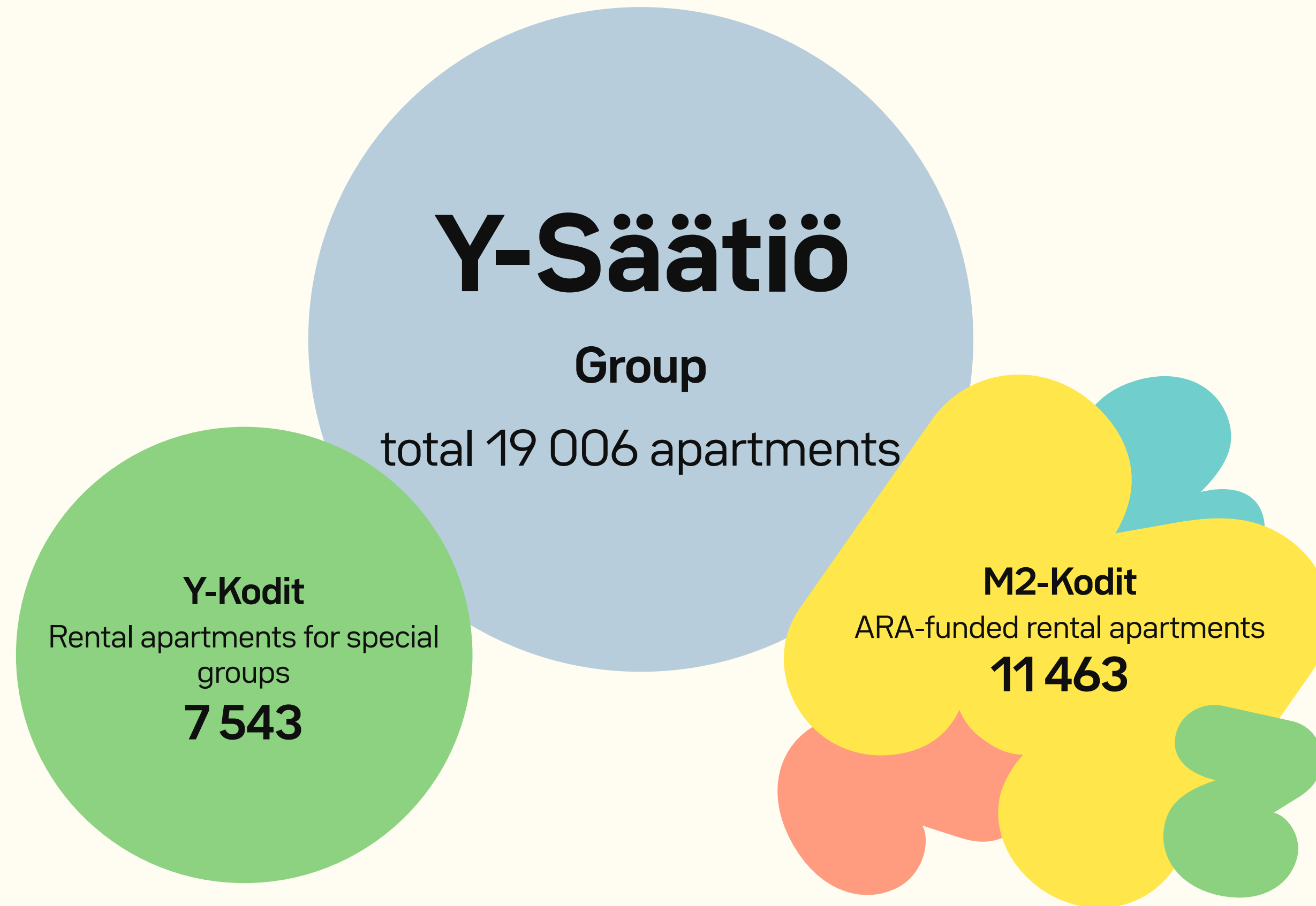
Y-Säätiö's board and management team have worked diligently to achieve our strategic goals, updating the organization's strategy for 2023–2030. We work together with our partners and stakeholders to create more sustainable housing solutions.

In summary, I can say that 2023 demonstrated that cooperation, innovation, and commitment enable significant impact. We are grateful to all our stakeholders, employees, and residents who have joined us on our journey. Our focus is on the future, where we will continue our work to fulfill our mission – to ensure everyone has a home.

With thanks,

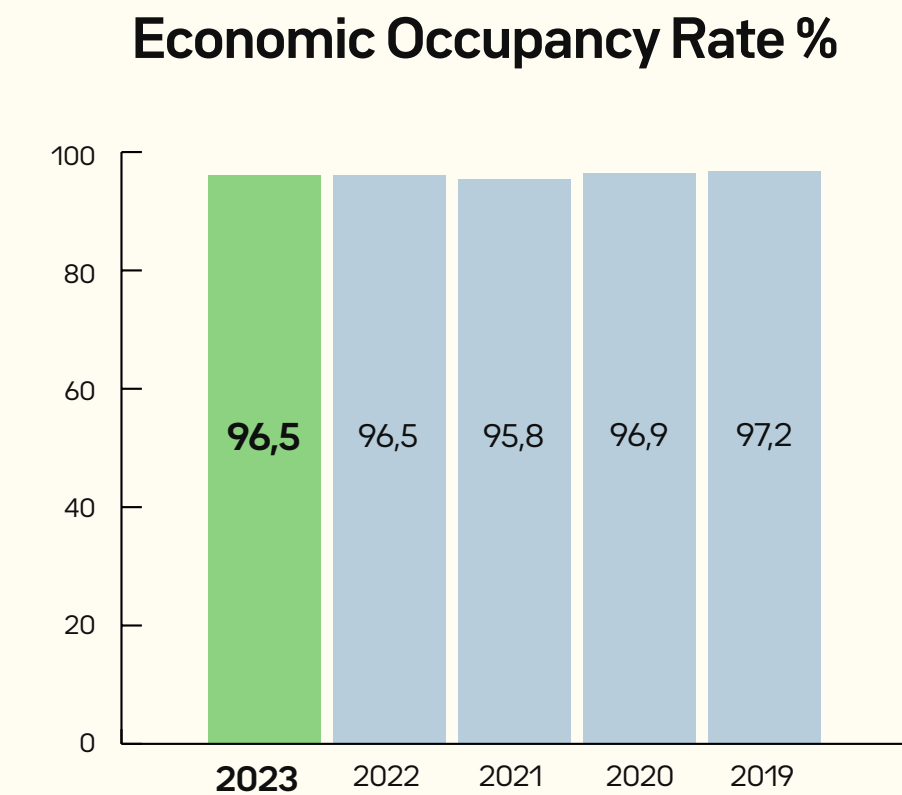
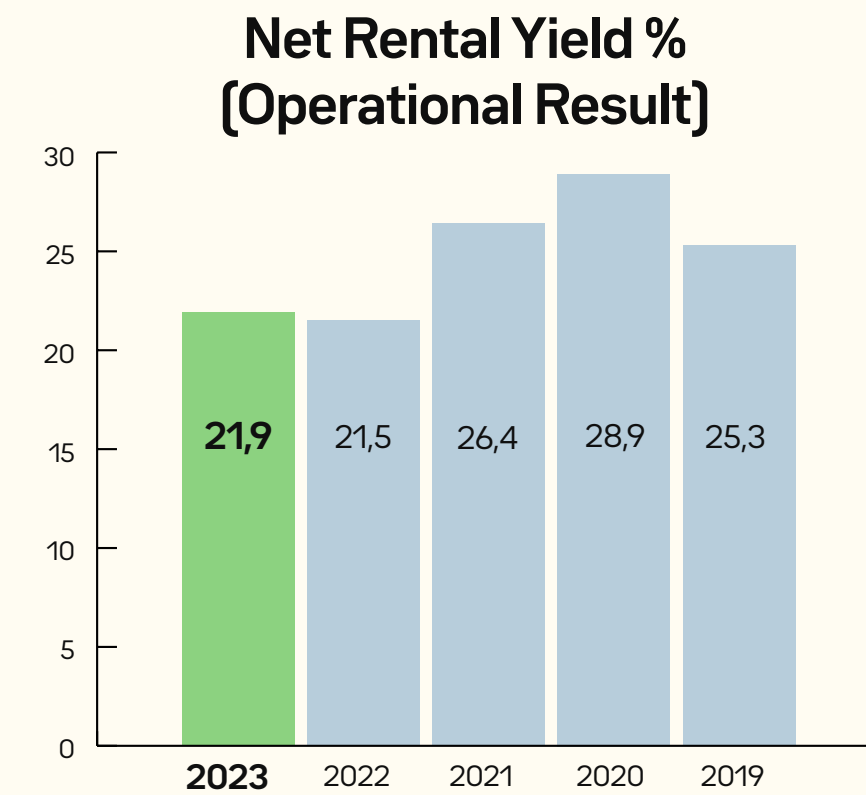
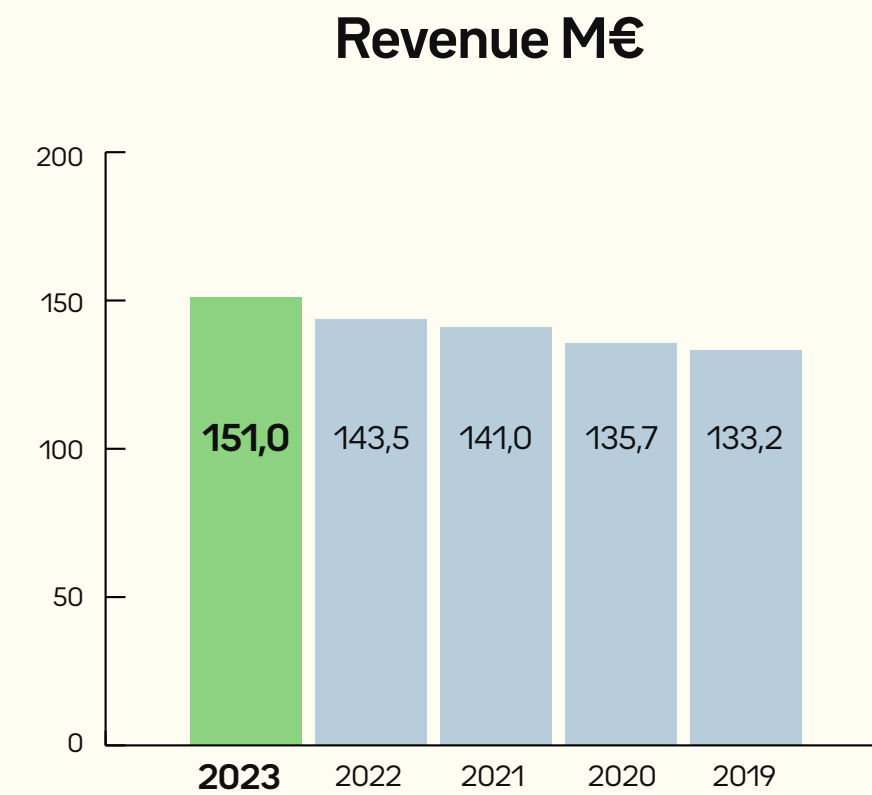
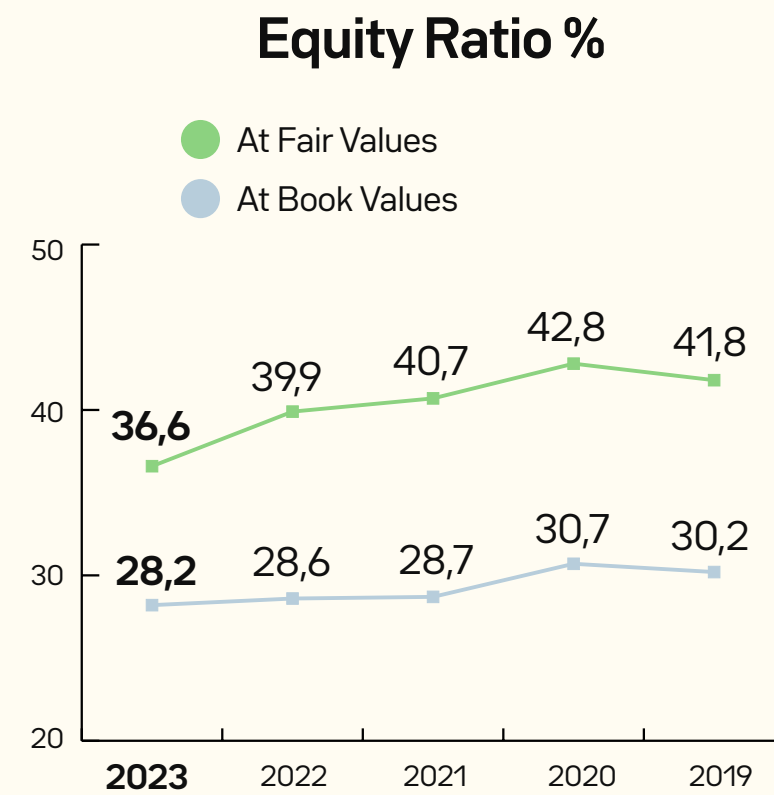
Teija Ojankoski
CEO

Key Figures at the End of 2023



YEAR 2023 IN SUMMARY

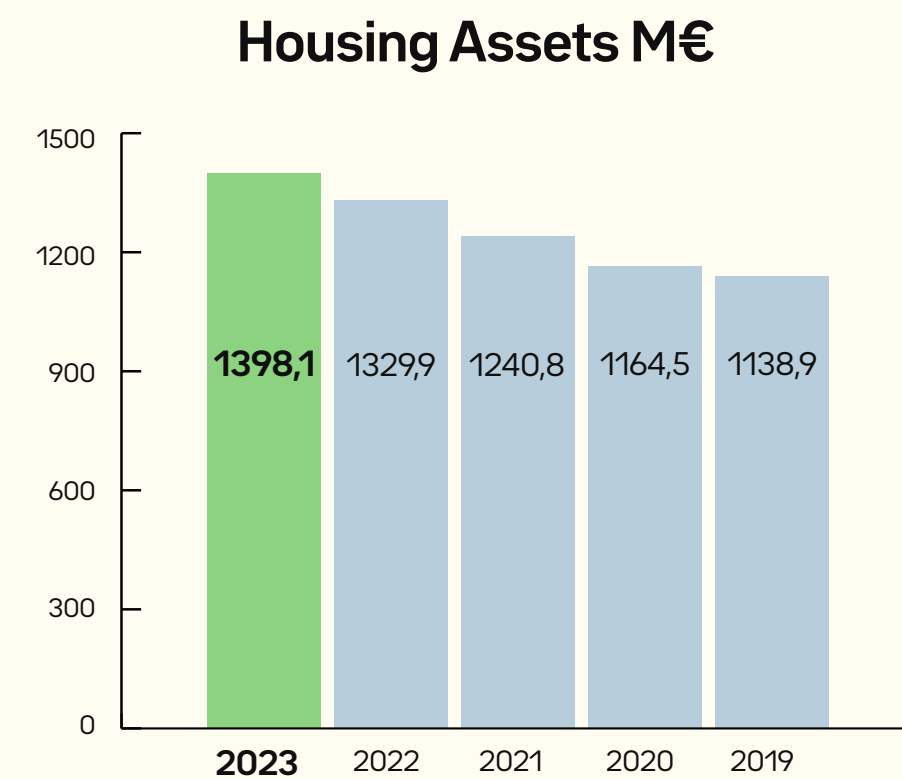
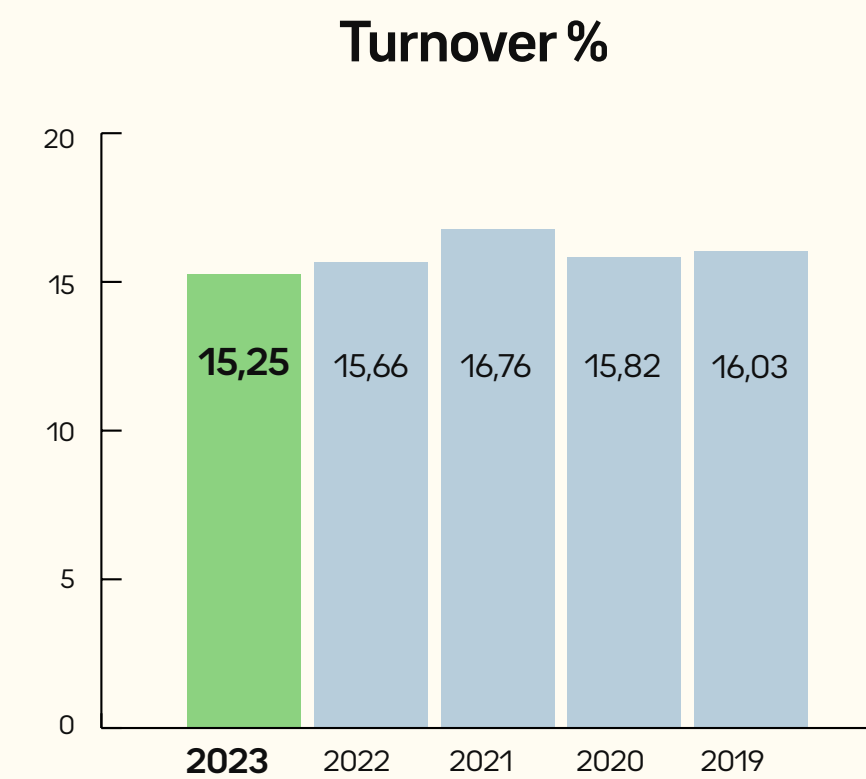
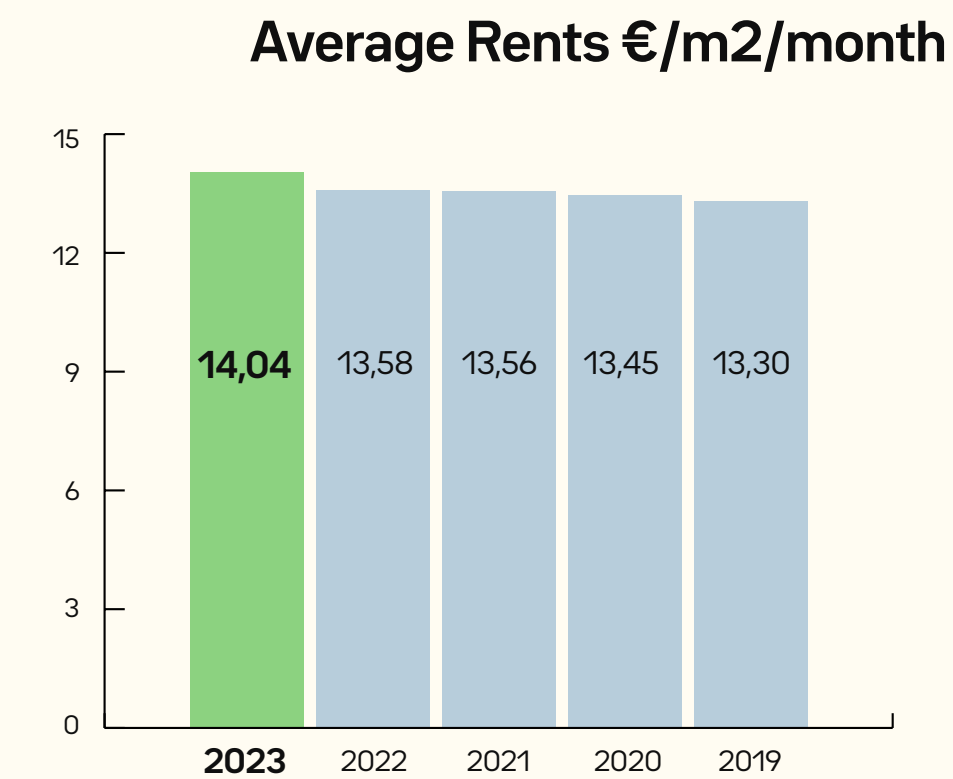
Financial Development 2023-2019



In 2023, four properties were acquired:

- As. Oy Espoon Kokinniityn Poimulehti
- Kiinteistö Oy Kokinniityn Lehtiparkki
- As. Oy Kangasalan Taitajankatu 10
- As. Oy Pirkkalan Torninjuuri 9a

The aforementioned properties are under construction.



Y-Säätiö sr adheres to the Foundation Act, its regulations, and official guidelines, as well as the "Good Governance for Foundations" guidelines published by the Council of Finnish Foundations in 2015. Based on these, the foundation's board approved a related party guideline on April 14, 2016. According to section 1:8 of the Foundation Act, the foundation's related parties include the founders, the board, the foundation's management, and auditors, along with their family members. In Y-Säätiö, management refers to the CEO and the management team.

A related party transaction involves reciprocal or non-reciprocal legal actions made with related parties, regardless of their subjects or titles. These may include purchasing services from a related party, selling services to a related party, benefits and salaries received by the related party, providing loans or grants, or various agreements.

Y-Säätiö does not provide grants or other partially or entirely non-reciprocal benefits to related parties unless their provision is part of the foundation's intended activities and the conditions for their provision do not differ from those applied to external parties. The foundation does not engage in other unusual related party transactions. The foundation's properties or apartments are rented to the founding cities and their residents at fair value and on similar terms as to other parties. Fees paid to board members and auditors, as well as the salaries of management, are reasonable and do not deviate from the norm.

Related party transactions conducted with the foundation's group companies are valued at fair value. In determining fair value, the founda-

tion relies on its own expertise, the opinions of auditors, market analysis, and external expert opinions when necessary. If related party transactions contrary to the Foundation Act, regulations, official directives, or related party guidelines occur, they are canceled. Significant related party transactions in the interest of the foundation that deviate from the guidelines are decided by the board or the CEO within their authority. In addition to the board and CEO, the foundation's management and financial administration monitor related party transactions as part of their duties.

A related party transaction involves reciprocal or non-reciprocal legal actions made with related parties, regardless of their subjects or titles.

Related parties table

Activities or economic benefits (€)	Nature of the relationship				
	1	2	3	4	5
A. Management salaries, fees and pension commitments		401 953	762 721		
B. Contracts					
C. Aid granted					
D. Loans granted, liabilities and contingent liabilities	167 265 044				

The founding members of Y-Säätiö and their subsidiaries and foundations, Y-Säätiö group companies, Y-säätiö or the organisation referred to in paragraph 1 a member of the Board of Directors and the Supervisory Board, and alternate members, the Executive Director and his/her deputy, general partner and auditor The management group of Y-Säätiö Family member of a person referred to in paragraphs 1 to 3 persons referred to in paragraphs 1 to 4 an entity or foundation controlled by

1B. Y-Säätiö pays its founding members (Espoo, Helsinki, Tampere, Turku, Vantaa) for the maintenance of their properties. The maintenance of its property, such as real estate taxes, street taxes and building permits. Founding members pay the fair rent for the apartments they rent from the Foundation.

1D. Y-Säätiö has made loans to its subsidiaries to finance the Foundation's for the construction of future residential buildings for use in accordance with its purpose and for the acquisition of residential real estate.

2A. The members of the Board of Directors, the Managing Director and the and his deputy and the auditor.

3A. Salaries of the Executive Committee of Y-Säätiö.

We identify the risks of our operations

Y-Säätiö Group, we manage risk so that we can ensure the smooth continuation of our core mission in the event of any adverse changes. Risks may be related to our own activities or to the environment in which we operate. We recognise that our potential risks are specific to our industry, but the changed global situation has also brought new risk factors to consider.

Evaluation scales

	Level of risk management	Criteria
1	Sufficient	The person responsible should actively monitor any increase in the likelihood or severity of the risk. If they do, he or she must decide, whether to take action to manage the risk.
2	Requires development	Person responsible for the action must schedule and take responsibility for risk management activities.
3	Requires considerable development	Person responsible for the action must initiate risk management measures as quickly as possible.

The most significant risks we have identified are:

Identified risk	Accessibility (1-5)	Severity (1-5)	Risk-management level
1. Design shortcomings in renovation and new construction			
Design flaws (material or financial error)	3	3	1
Incorrect timing or sizing repairs prior to major renovation	5	1	1
Lack of control or poor quality of workmanship	2	2	2
2. Partners risks associated with			
Bankruptcy of the supplier or other failure to perform	3	3	1
Risk from a partner	2	3	1
3. Inappropriate location, size and low demand for properties and apartments			
No homelessness in the area	4	2	1
Low occupancy rate	2	2	1
4. Major damage to property or personal injury			
Fire	5	2	1
Water damage	5	2	1
Indoor air problems	3	2	1
Accident	5	2	1

Identified risk	Accessibility (1-5)	Severity (1-5)	Risk-management level
5. The immediate impacts of climate change and environmental damage and indirect impacts			
Caused by extreme weather events damage to property	2	2	1
6. Values and actions diverge			
Loosening economic discipline	2	1	1
Inconsistent customer work	2	1	1
7. Adverse effects of the welfare reform			
First tenants (partners) terminate first tenancies	4	3	1
Tenants without the housing support they need	4	2	1
The current ARA funding for housing advice will come to an end	5	2	1
8. Economic cycles the effects			
Costs of rapid changes in interest rates	4	4	1
Cost of inflation increase in cost levels	5	3	1
Increase in the cost of materials	4	3	1

Identified risk	Accessibility [1-5]	Severity [1-5]	Risk-management level
9. Y-Säätiön public benefit status is lost			
- The definition of public benefit in income tax legislation becomes unfavourable	1	3	1
- Activities contrary to the rules of the foundation	1	2	1
- Change in the focus of the foundation's activities (charitable activities become marginal compared to the rest of the foundation's activities)	1	2	1
10. Decision-making based on inadequate facts			
Incorrect or wrong misinterpreted internal information	2	1	2
Insufficient understanding of the operating environment	1	2	1
11. Staff risks			
Key person risk	2	2	1
Health and well-being (employee illnesses, accidents, exhaustion)	3	1	1
Work environment	1	1	1
Workplace functioning (leadership, atmosphere, information flow)	1	1	1
Workplace functioning (leadership, atmosphere, information flow)	3	1	1
Misconduct	1	1	1
Competences (professional competences)	1	2	1

Identified risk	Accessibility [1-5]	Severity [1-5]	Risk-management level
12. Accident and misconduct (caused by third parties)			
	2	3	1
13. Data protection risks			
Intentional or unintentional data leakage	4	2	1
Malicious and careless speech	2	1	1
Temporary malfunctioning of information systems	4	1	1
System failure destroying data	1	2	1
Difficulty in deleting personal data	5	1	2
Cyber attack	1	3	1
Poor level of data protection by partners	2	3	1

Significant events after the financial year

There are no significant events after the financial year.

Y-Säätiö

ysaatio.fi