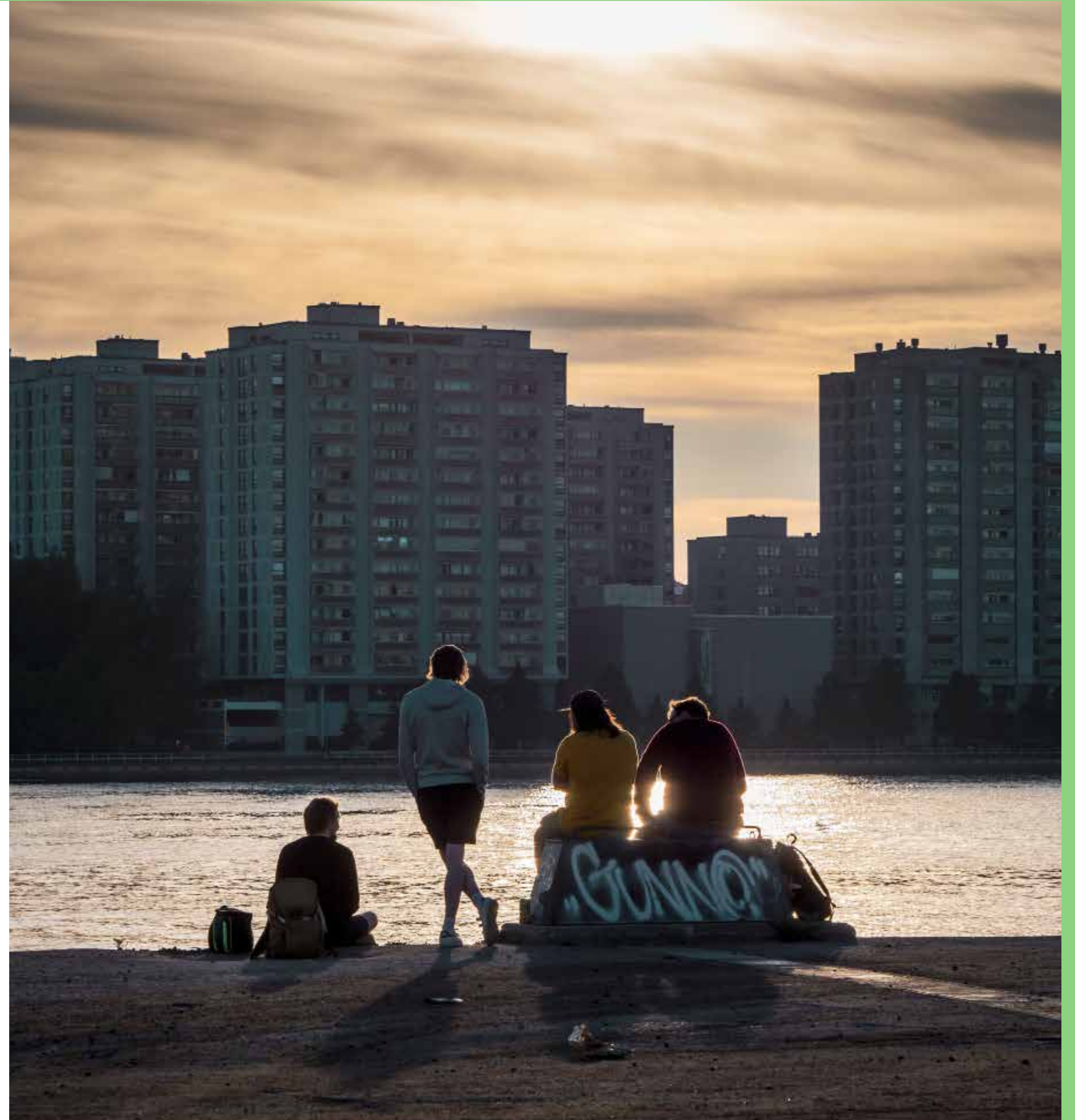


# Half-year report 1-6/2024

**Y-Säätiö**



# Content

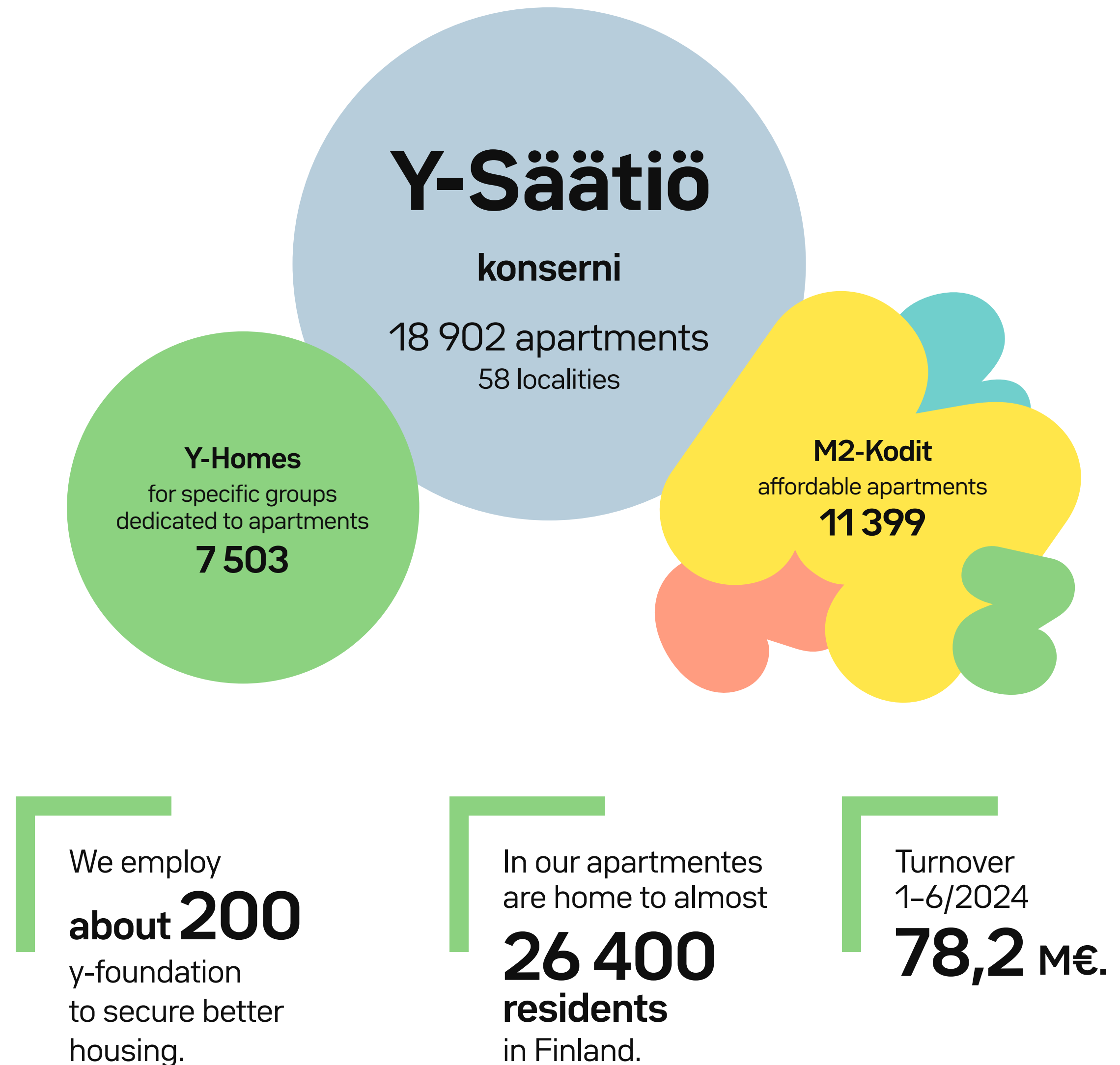
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# Y-Säätiö Group

Y-Säätiö Group is the largest nationally operating non-profit, non-affiliated and non-profit landlord in Finland and a developer and expert in homelessness work.

Y-Säätiö was established in 1985 and promotes social justice by providing affordable rental housing on a cost basis. Y-Säätiö has 18 902 homes in 58 locations. Our housing stock consists of 11 399 rental homes for M2-Kodit and 7 503 Y-Homes for special groups.

The social and economic well-being of our residents is at the heart of our activities. We carry out development projects and research, provide job opportunities for our residents, and are a national and international developer of housing-first work. We employ around 200 housing professionals.




We employ  
**about 200**  
y-foundation  
to secure better  
housing.

In our apartmentes  
are home to almost  
**26 400**  
**residents**  
in Finland.

Turnover  
1-6/2024  
**78,2 M€.**



# Strategic objectives

<p><b>Objectives</b></p>	<p><b>1</b> Our residents are economically and socially prosperous</p> <p>No poverty Decent work and economic growth Gender equality Health and wellbeing</p>	<p><b>2</b> We are moving towards a carbon-neutral life</p> <p>Cheap and clean energy Sustainable industry, innovation and infrastructure Responsible spending Sustainable cities and communities Climate actions</p>	<p><b>3</b> We will eliminate homelessness in Finland and reduce it internationally</p> <p>Inequalities Reducing poverty Cooperation and Partnership</p> 
<p><b>Key projects</b></p>	<ul style="list-style-type: none"> <li>• Successful housing</li> <li>• Jobs for residents</li> <li>• One Y-Säätiö - one excellent</li> <li>• Customer experience</li> <li>• Growth in the housing stock</li> </ul>	<ul style="list-style-type: none"> <li>• Carbon-neutral Y-Säätiö 2035</li> <li>• Sustainable and hassle-free everyday life for residents</li> </ul>	<ul style="list-style-type: none"> <li>• Close cooperation with cities and organisations</li> <li>• Y-Säätiö a pioneer in international homelessness work</li> <li>• Pursuing equality together with partners</li> </ul>

**We will achieve these goals through key projects.** We will work on them throughout the strategy period. They will be updated and refined as the strategy progresses. Our success will be ensured by skilled staff, a solid financial and funding base and effective digital tools.



## CEO's review

# A changing world needs stable actors

// The first half of 2024 has been marked by a changing operational environment in the areas of housing and homelessness work. Changes in housing and income support are already affecting the daily lives of many low-income individuals and are reflected in the foundation's activities, particularly through the increased demand for housing counseling and, of course, through housing applications.

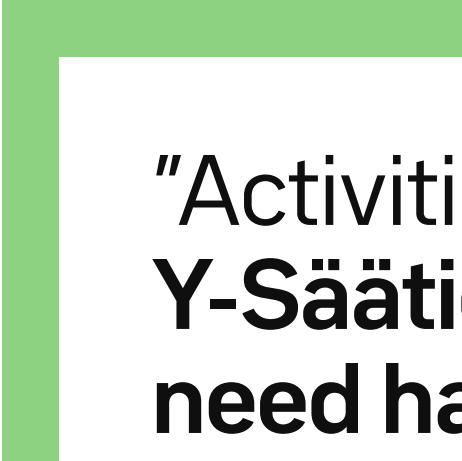
Housing construction by the foundation remains active, and the planned changes to public support will not generally materialize for several years. However, concerns about the future combined impacts of these changes are shared among Y-Foundation staff and other stakeholders.

Housing-related themes have now entered public discussion in a more diverse manner than in recent years.

In addition to closely monitoring the housing market, the media is addressing housing issues from perspectives that resonate with low-income individuals: What are the consequences of rising housing costs, and how can one cope with them?

The value and necessity of the Y-Foundation's work have become even more pronounced in these challenging times. Since its establishment, the Y-Foundation's mission has been to acquire and provide housing for those who need it most. In addition to offering homes, the foundation was also tasked with enhancing the economic and social well-being of its residents.

In 2024, the Y-Foundation will provide a home for over 26,000 residents. Although no new homes were completed in the first half of the year, M2-Kodit has



"Activities of **Y-Säätiö value and need has been underlined** by the challenging challenging times."

557 affordable apartments under construction, some of which will be completed later in the fall.

The foundation is also committed to eradicating homelessness, improving resident well-being, and promoting sustainable housing through research and development activities. The "Water Conservation in Housing" study successfully reduced carbon emissions from housing and identified ways to decrease energy and water consumption.

In the spring, Y-Säätiö and the University of Turku launched a research project that aims to gather information on the use of services by those who have experienced homelessness and the societal costs of homelessness. We hope this research will help to clarify the societal impact and significance of eradicating homelessness, particularly from an economic perspective.

One of the highlights of the spring was the international "From Local to Global" homelessness seminar held in May. The seminar brought together the leading figures in homelessness work from around the world to Helsinki—participants came from 16 different countries, and

the speakers represented five continents.

Through this seminar, Y-Säätiö aimed to strengthen international cooperation and understanding of how to succeed in eradicating homelessness. The speakers, ranging from researchers to political decision-makers, shared a common view: eliminating homelessness requires systemic, societal-level solutions.

From an international perspective, Finland's strengths in ensuring housing for all and eradicating homelessness stand out clearly. These successes are rooted in perseverance and a comprehensive approach. A society that ensures everyone has a home will need these principles moving forward. We at Y-Säätiö remain committed to this cause.

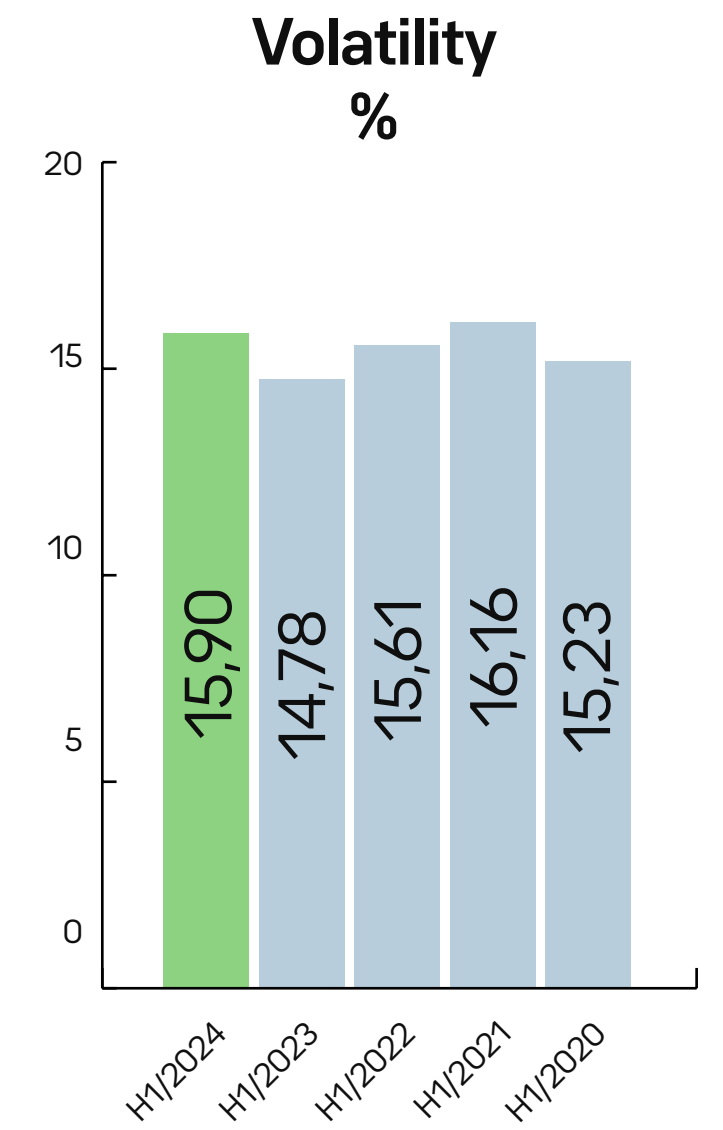
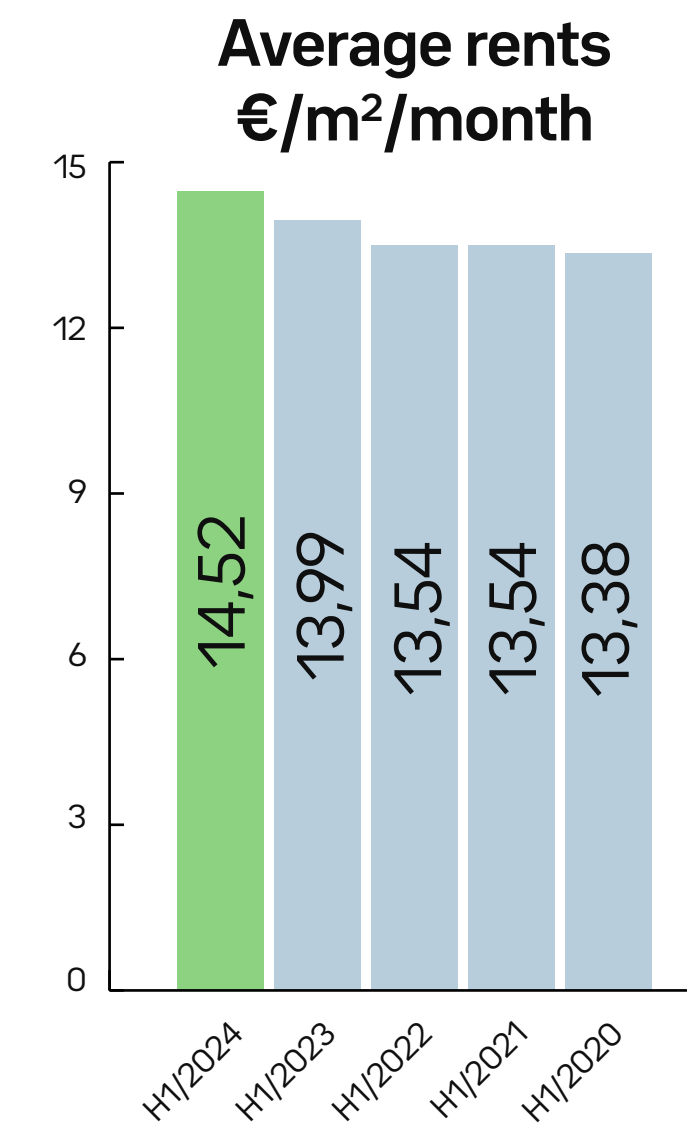
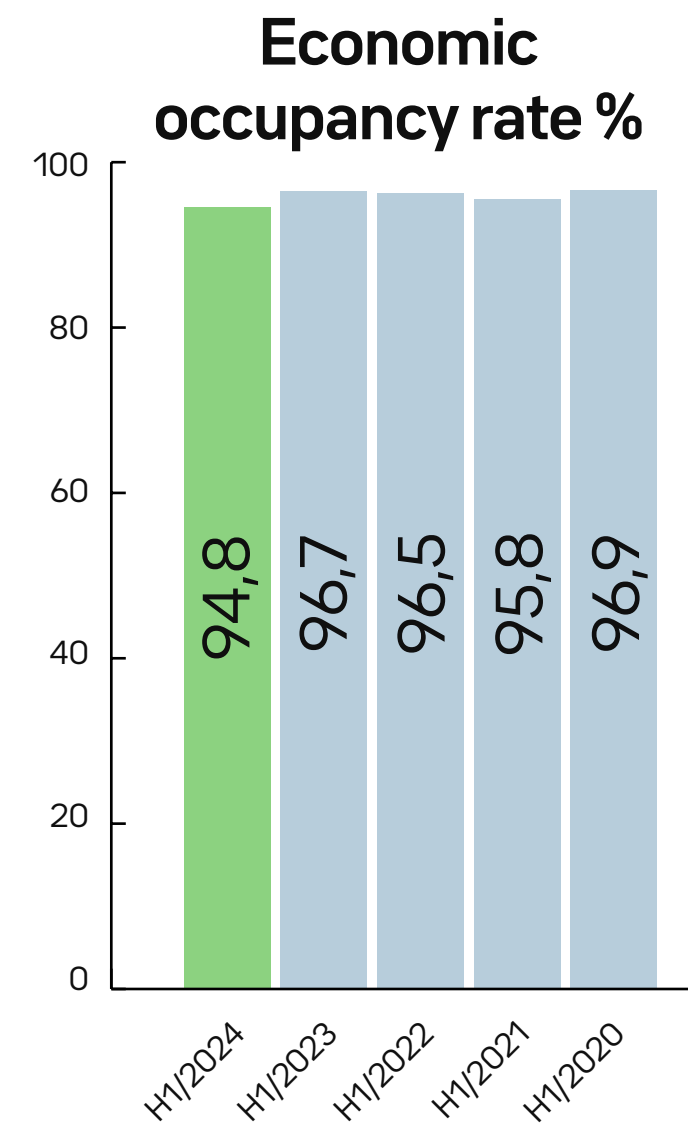
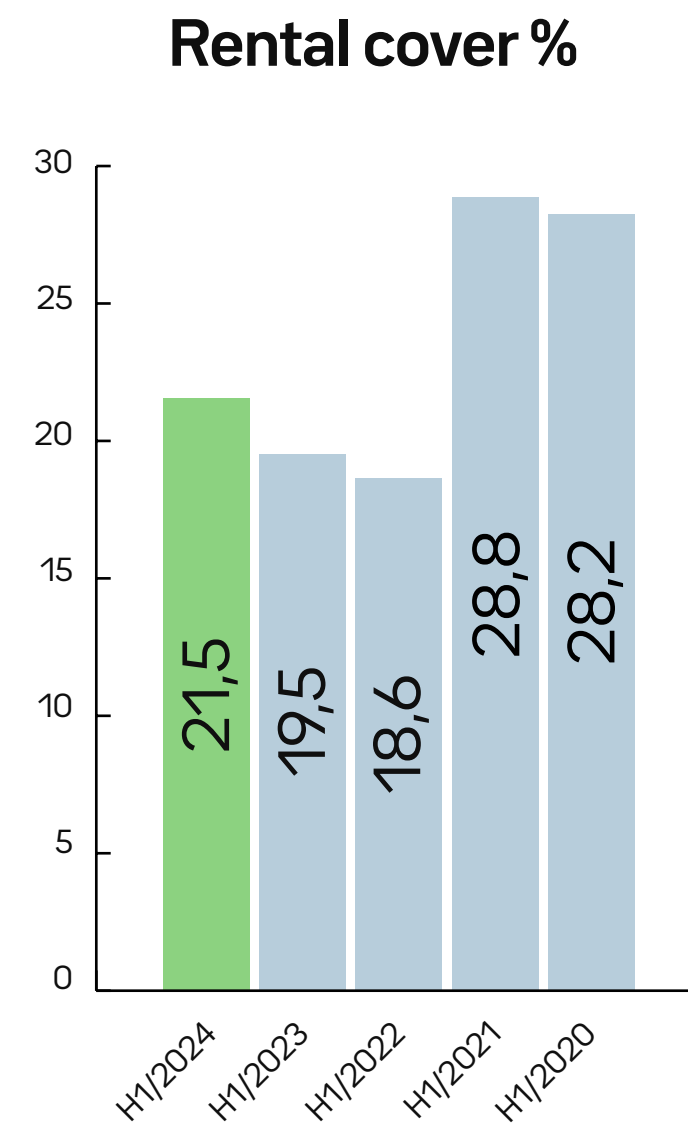
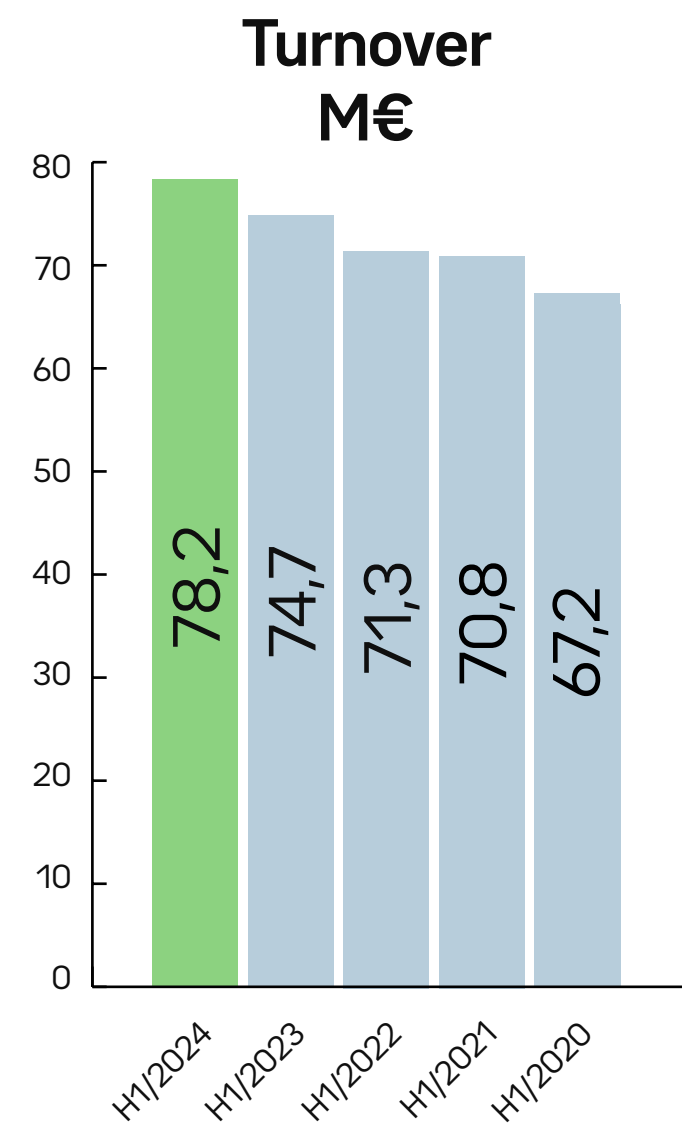
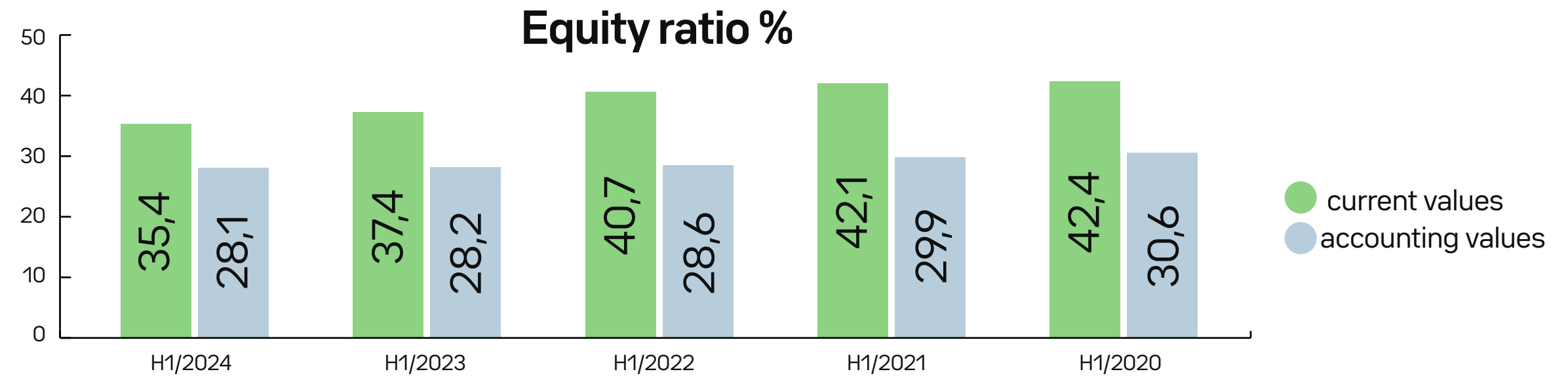
**Teija Ojankoski**

CEO of Y-Säätiö Group



# Y-Säätiö's January-June in numbers

Under construction at **557** apartments (Y-Säätiö Group)





# Developing digitalisation at Y-Säätiö

During the spring, Y-Säätiö has been developing digitalisation both internally and externally. The internal communication channel, Ydin, and the external Y-Portal for partners were launched during the spring. Both platforms have been designed to improve the flow of information and enhance efficiency in different areas.

## Ydin: New intranet for Y-Säätiö for internal communication

The core is-Säätiö's new intranet, which serves as the organisation's internal communication channel. Its key objective is to improve staff access to information and information sharing. It brings together all the materials that are important to the people of Y-Säätiö and publishes news and current information for staff.

It is designed to support all staff in their daily work by providing easily accessible information and resources. This new digital platform will en

sure that staff are kept up to date and can make use of the tools available to Y-Säätiö.

## Internal communication and information sharing

Y-Säätiö is developing its internal communication by making more extensive use of its digital platforms. The aim is to create a coherent and effective communication system that supports the organisation's objectives and improves collaboration between employees.





This process of change is part of Y-Säätiö's desire to develop its staff's working environment and tools to better meet today's needs.

## Y-Portal: Cooperation-supporting partners

Y-Säätiö's new Y-Portal is designed to facilitate the re-rental of Y-Säätiö housing and support the eradication of homelessness. This digital tool has been developed specifically for welfare areas, cities, service providers and organisations. The Y-Portal provides users with a clear and easy-to-use platform to monitor in real time the situation of Y-Säätiö's housing for people with special needs.

### Developing cooperation

The Y-Portal is a demonstration of Y-Säätiö's commitment to be a better partner and an active player in the fight against homelessness. The portal has been developed to meet the needs of partners and to enhance the joint work to prevent and eradicate homelessness.

### THE Y-PORTAL OFFERS ITS USERS A NUMBER OF USEFUL FEATURES:

- **HOUSING SITUATION IN REAL TIME:**  
The portal shows all available and vacant apartments, including their specifications, rents, floor plans and any photos.
- **SHOPPING BASKET FUNCTION:**  
Users can select the apartments that are suitable for their customers and add them to their shopping cart. The items placed in the shopping basket are forwarded via the portal, after which Y-Säätiö contacts the user.
- **PERSONAL IDENTIFIERS:**  
Personal accounts are created for partners on the portal, and additional user profiles can be created for the organisation if required.



**Y-Säätiö's investment in digital development**, both internally and externally, is a significant step towards more efficient and integrated operations. Core and Y-Portal are examples of platforms that support Y-Säätiö's strategic objectives and improve the user experience for both staff and partners. These platforms enable Y-Säätiö to ensure that its activities are timely, efficient and socially impactful.

# Successful living

**The mission of Y-Säätiö is to provide a safe and permanent home for all.**

We support the eradication of homelessness in Finland by providing affordable housing and helping our residents to succeed in housing.

In all our work, we aim for the holistic economic and social well-being of our residents. We provide our residents with housing advice, employment opportunities and opportunities for community in a living environment.

We the community treat our residents equally in all situations. We want our residents to be successful in living.

## THE CONDITIONS FOR SUCCESSFUL LIVING:

### Own home



It offers the best prerequisite for a life of your own.

Our work is based on the Housing First approach. Housing safety is the foundation of everyone's everyday life.

### High quality and well well-maintained properties and apartments



Housing management and ongoing maintenance are a guarantee of sustainability.

In addition to other measures such as Home in Good Repair

### A vibrant and community-based community



Our activities support the social well-being of residents.

We promote the well-being of our residents and a sustainable lifestyle.

### A Home in Good Repair



Together with our partners, we offer housing support services to people in financial difficulty, for example.



# New apartments

Completed apartments, Y-Säätiö Group

**557**



Y-Säätiö Group has 557 apartments under construction in Helsinki, Espoo, Klaukkala, Kangasala, Pirkkala and Tampere during late 2024 and 2025. During the autumn construction of 55 apartments will start in Turku Herttuankulmaan in the autumn. These apartments will be completed in 2026.

The regional focus of Y-Säätiö's new production is on those places where there is a demand for affordable rental housing. These areas include, in particular, the Helsinki Metropolitan Area and the Tampere employment area. In other growth centres, our developments are located in areas with good transport connections, close to services.

All new developments built by M2-Kodit, a wholly owned subsidiary of Y-Säätiö, are affordable ARA-funded developments, i.e. they are built with state support and have regulated rent setting criteria. The Foundation also finances its housing production through subsidised loans, bonds and its own financing. Tenant selection is guided by means-testing. Housing is rented on the basis of need.

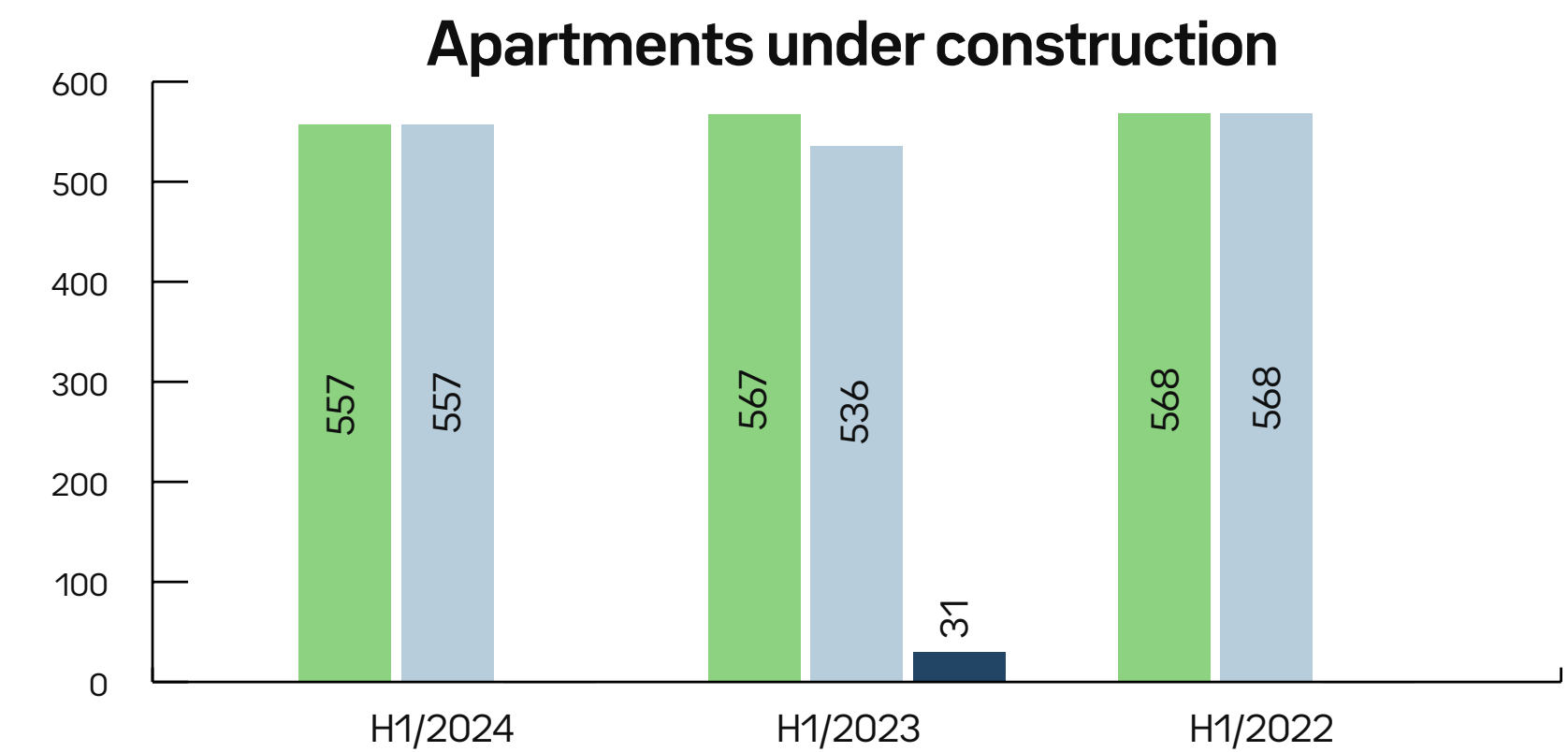
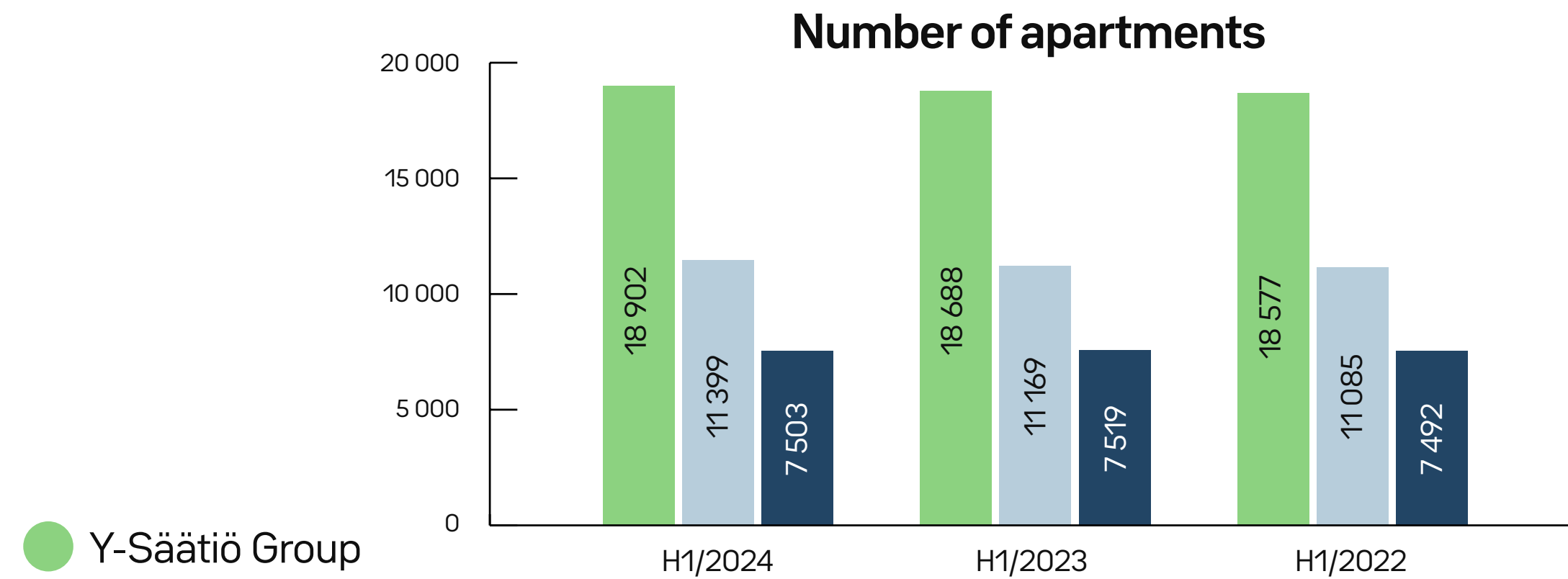
## Carbon neutral by 2035

In new production, we are building environmentally sustainable and energy-efficient environmentally certified buildings and implement individual innovative projects.

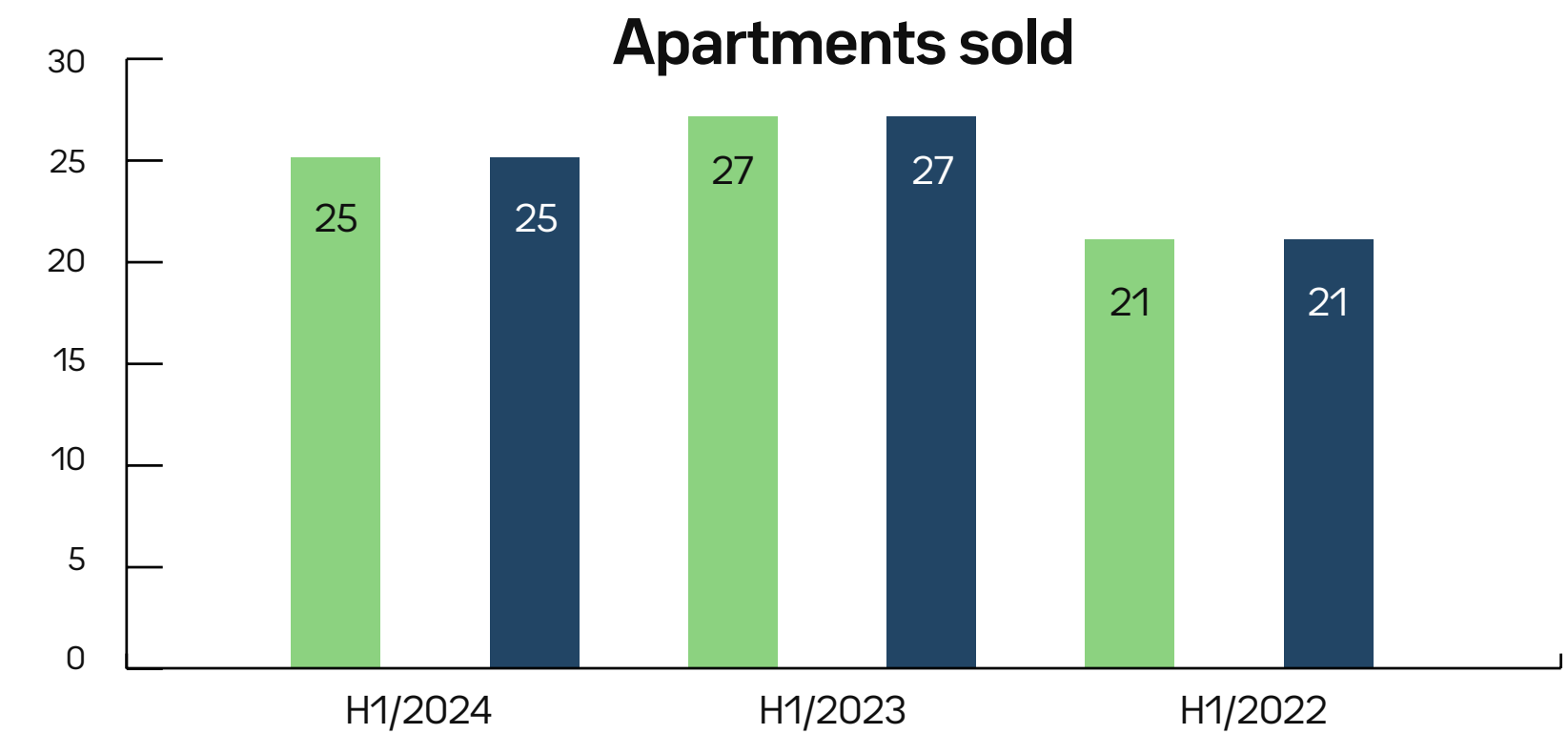
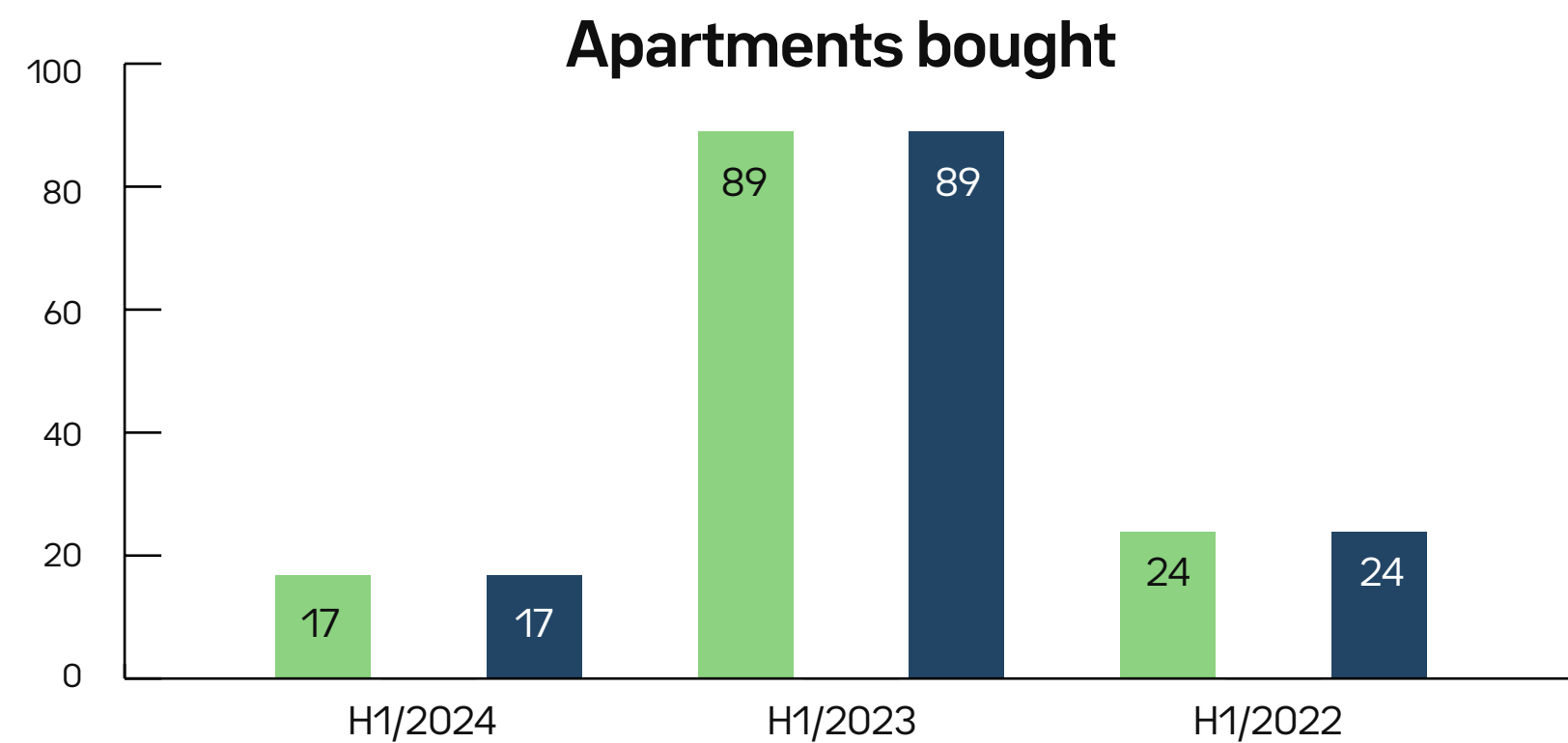
We renovate old buildings in sustainable ways and improve their energy efficiency. The aim is always to achieve long life and affordability.

# Housing in numbers

January-June 2024

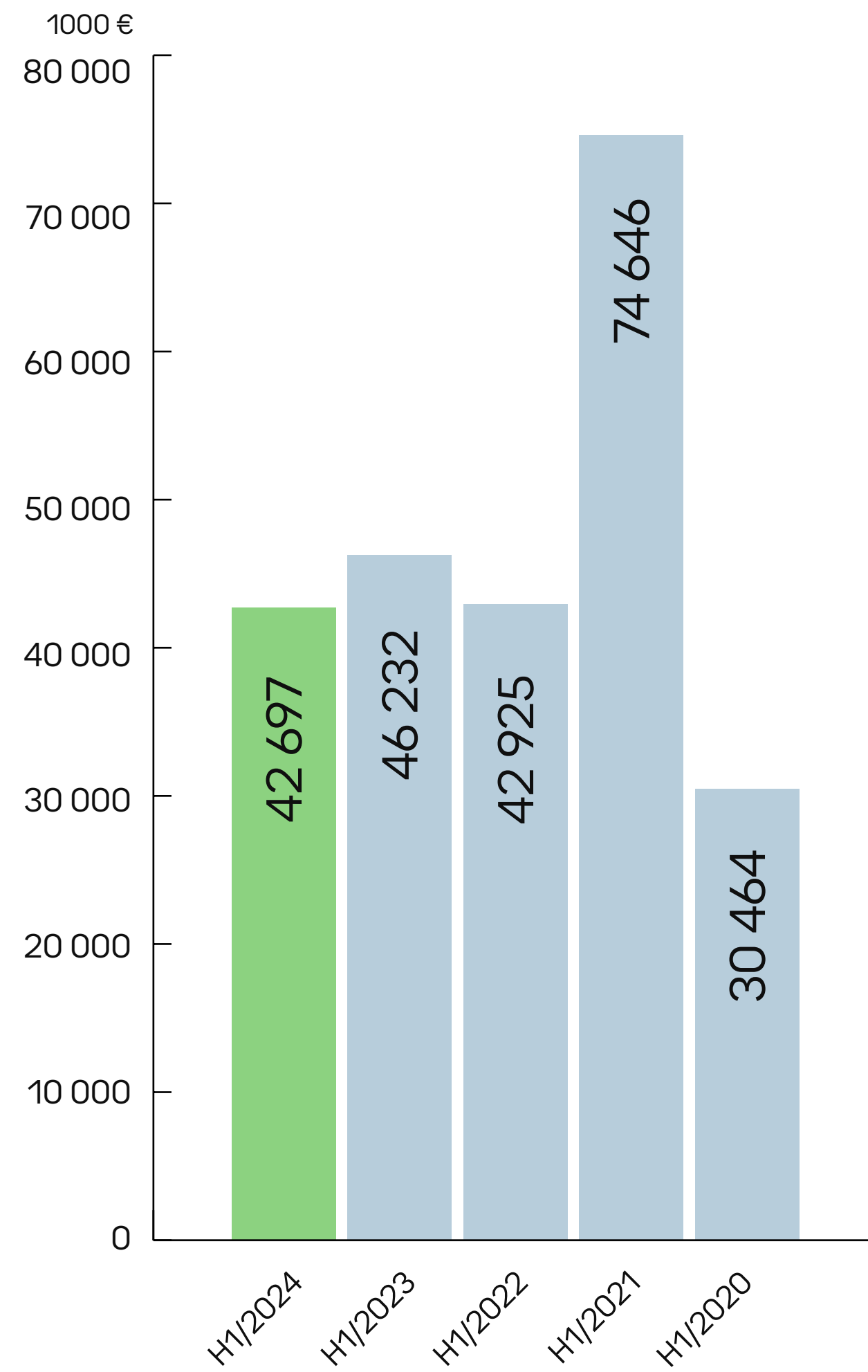


- Y-Säätiö Group
- M2-Kodit
- Y-Kodit

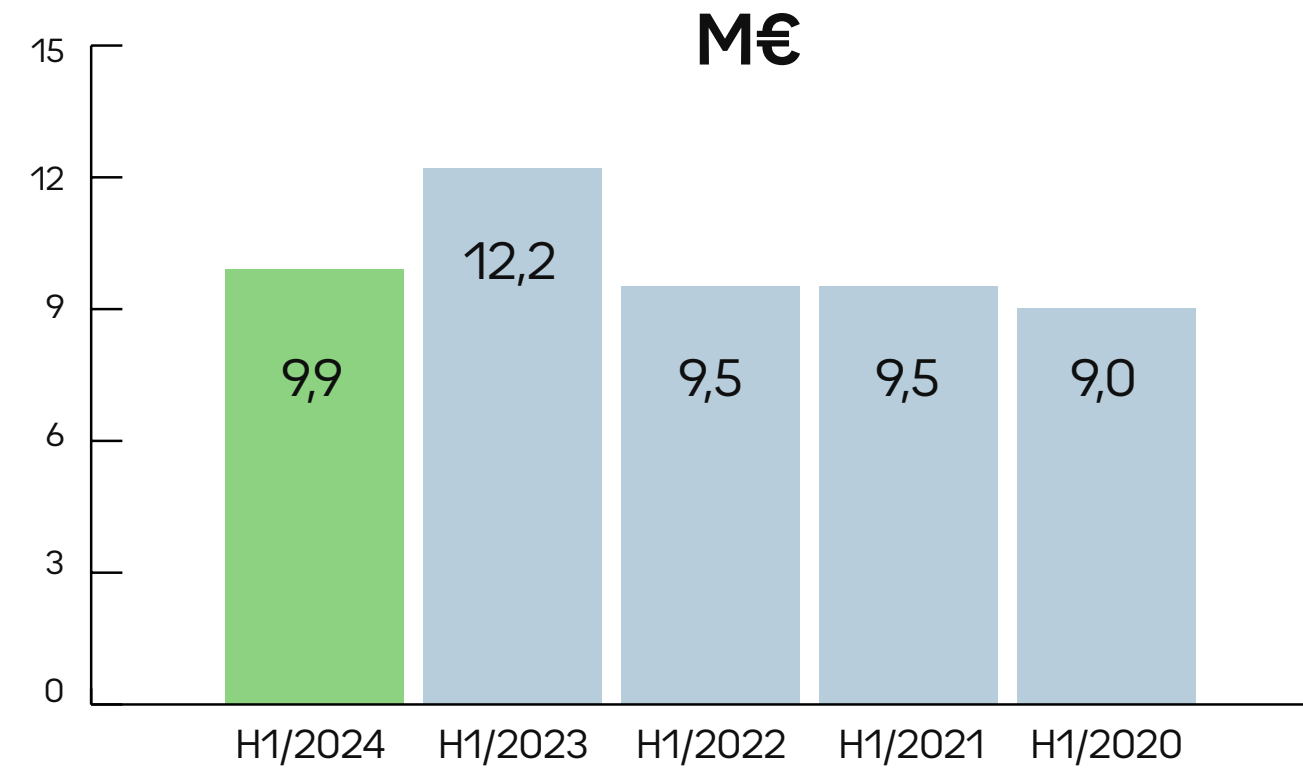




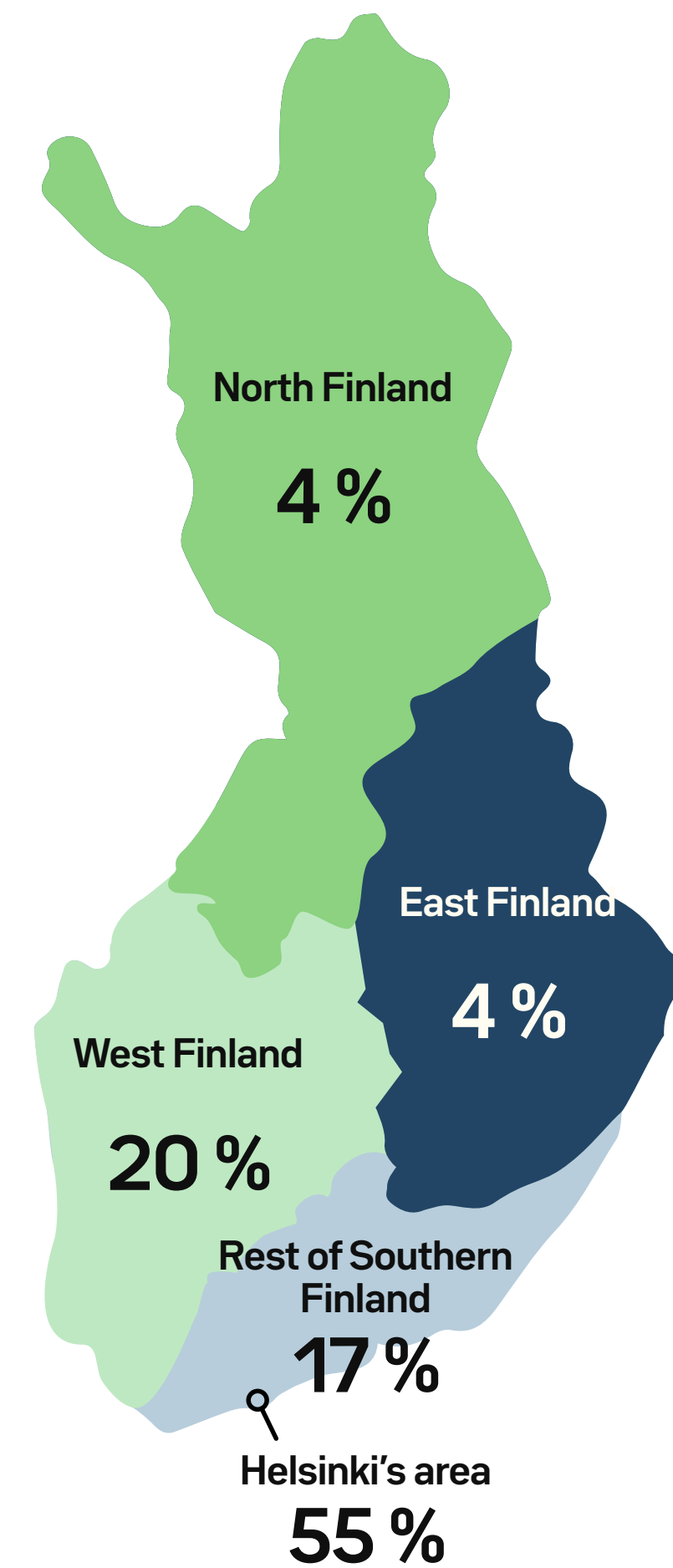
**Gross investments**



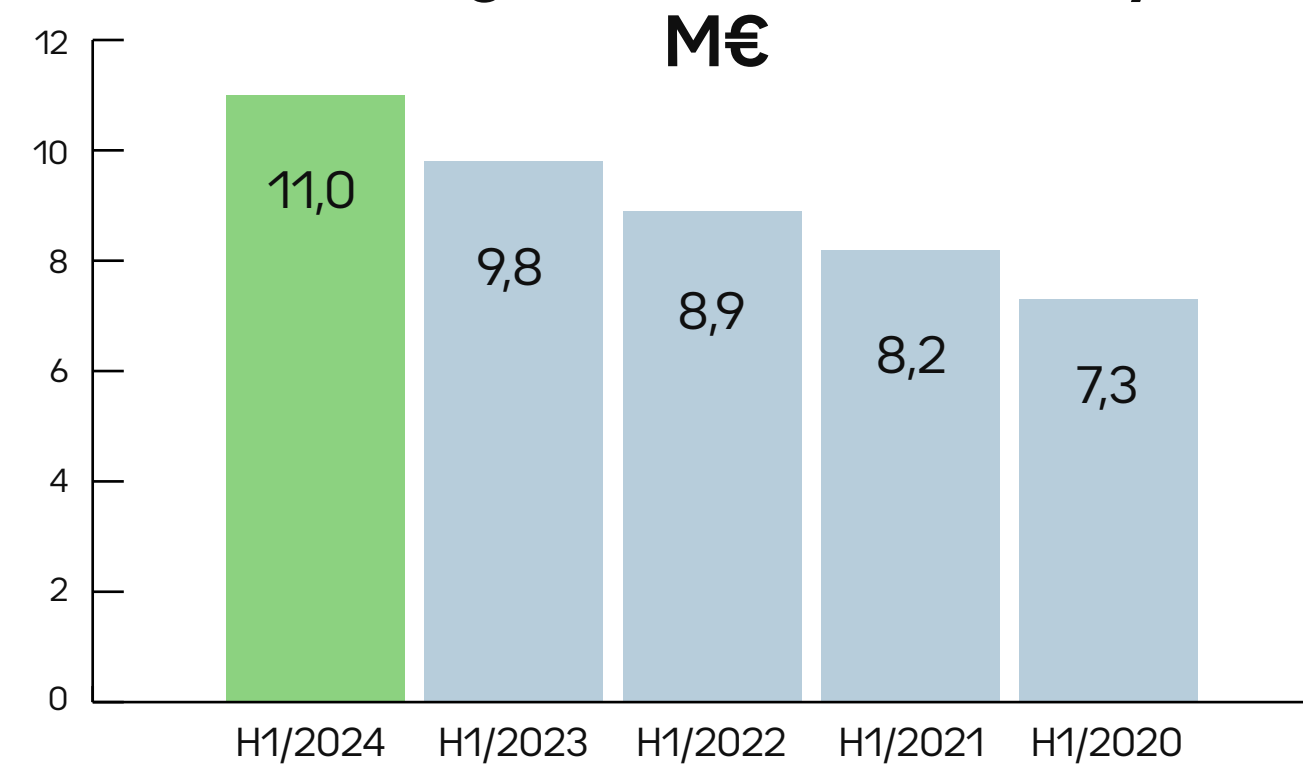
**Corrections with effect on results**



**Housing stock location**

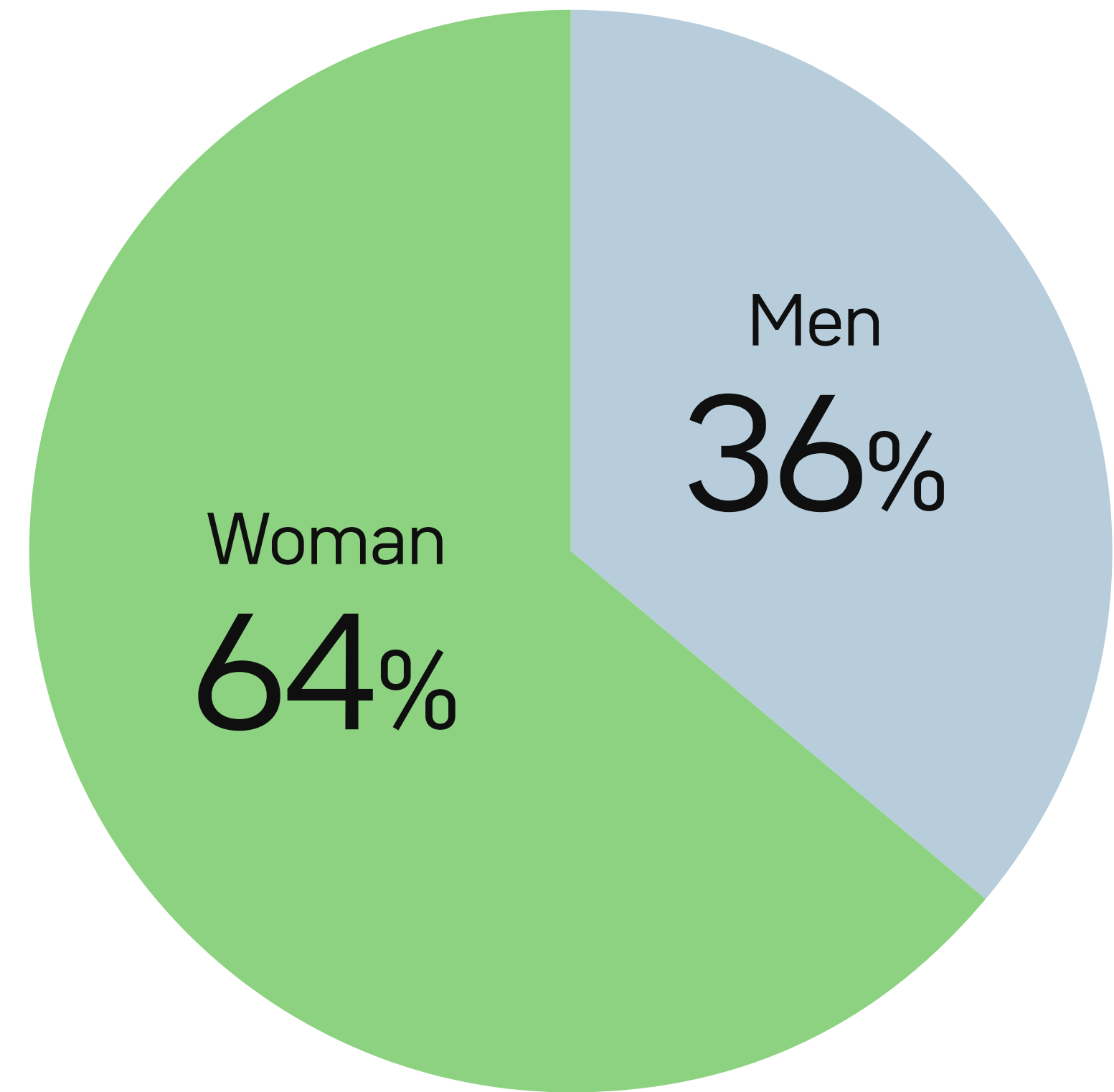
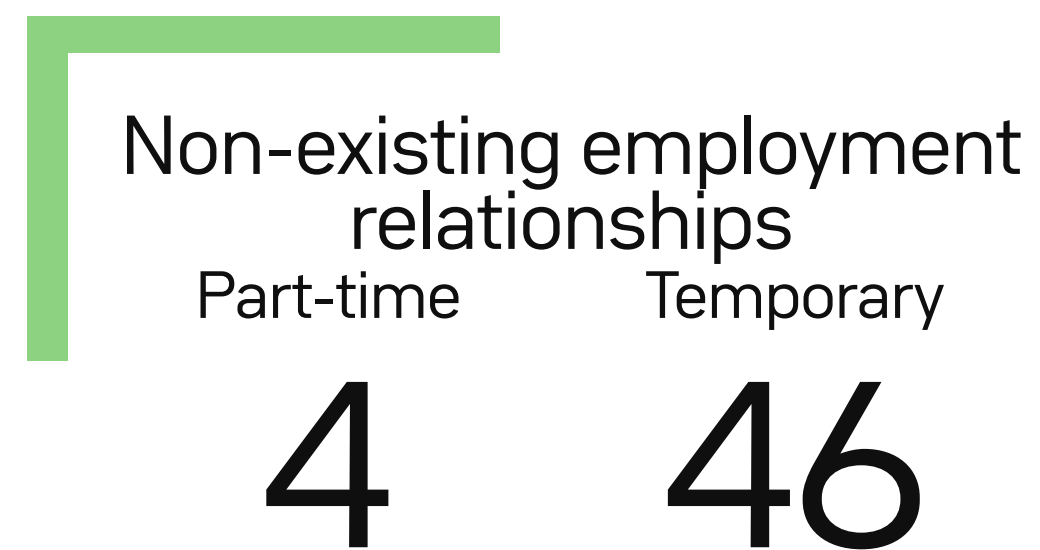
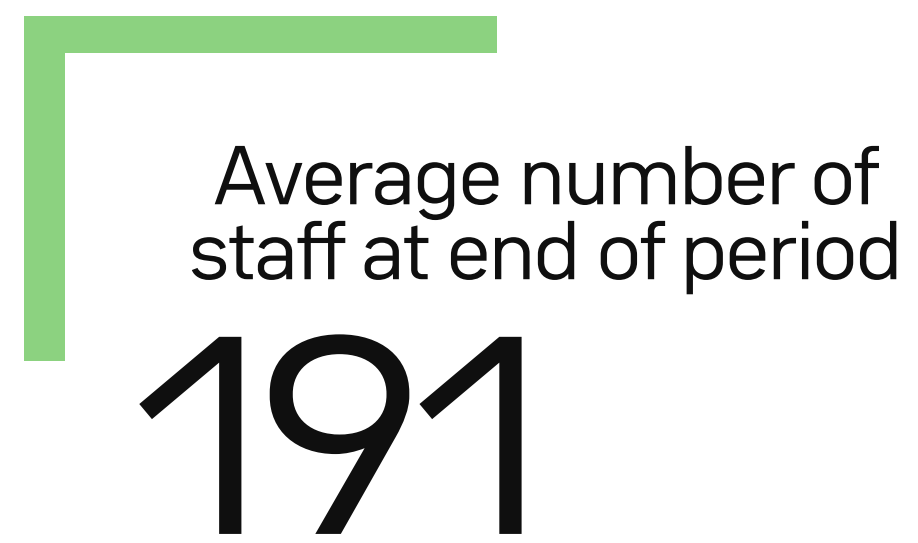
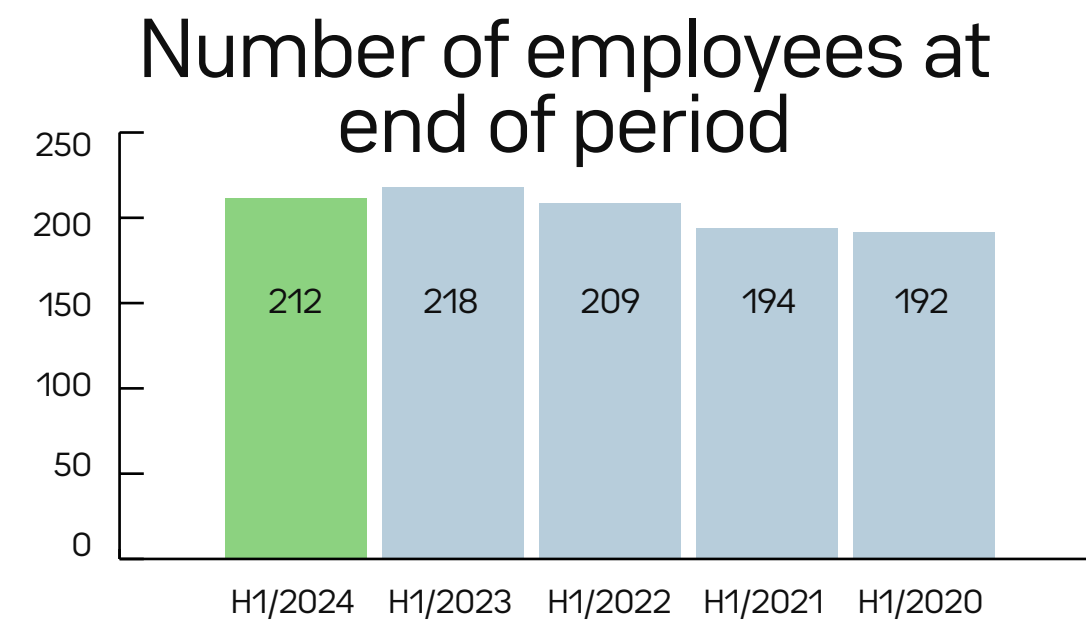


**Heating, water and electricity**



# Personnel in numbers

January-June 2024





# A new Board was elected in April

**The Foundation's new Board and talented staff will provide the foundation for the continuation of the Foundation's social impact work in the years to come. The role of Y-Säätiö is invaluable in a changing world - let's keep up the good work.**

At the Annual General Meeting, two new members were elected to the Board of Y-Säätiö: Mr Teppo Forss, Managing Director, nominated by the City of Turku, and Mr Jussi Koskinen, a graduate engineer, nominated by the City of Espoo.

From the previous term of office, Tiina Mäki, Director of Administration, nominated by the City of Helsinki, Tapio Tähtinen, Director of Administration, nominated by MIELI Suomen Mielenterveys ry, Aleksi Randell, CEO (Vice-Chairman), nominated by Rakennusteollisuus RT ry, Kimmo Palonen, Chairman, nominated by Rakennusliitto ry, and Maria Viljanen, psychosocial support specialist, nominated by the Finnish Red Cross (Chairperson).

The Board of Y-Säätiö is always partly composed of its founding members. The Board of Directors exercises the highest authority over Y-Säätiö's activities and oversees the achievement of the objectives set out in the strategy.

Discover Y-Säätiö the rules at:  
**[ysaatio.fi/y-saation-saannot](https://ysaatio.fi/y-saation-saannot)**

# Economy and Finance

Finland's economic growth will remain negative in 2024. The market situation has deteriorated due to an oversupply of rental housing. Inflation has slowed and interest rates have come down from their peaks in Finland and the ECB is expected to cut rates further in the remainder of the year and during 2025.

New housing production has kept competition for tenants fierce, which has been reflected in the Group's occupancy rates. Oversupply is expected to gradually melt away and the market should start to normalise during 2025.

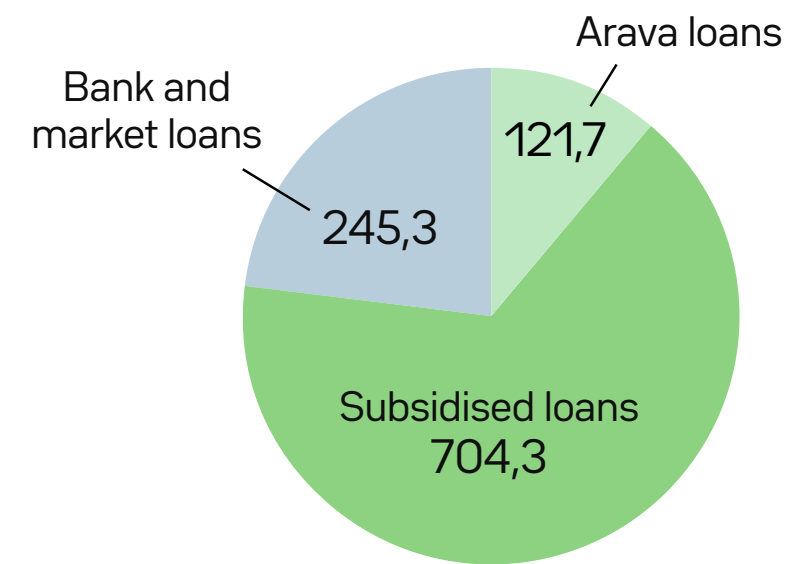
In 2024, the Group's occupancy rates are expected to remain stable or slightly deteriorate from the previous period. The Group's interest rate hedge ratio will be high in 2024, which will contain the increase in interest costs.

	Result 30.6.2024	Result 30.6.2023	Result 30.6.2022	Result 30.6.2021	Result 30.6.2020
Residential property M€	1 393,1	1 339,7	1 276,9	1 187,7	1 156,4
Operating result %	21,5	19,5	18,6	28,8	28,2
Equity ratio %	28,1	28,2	28,6	29,9	30,6
ICR x	2,9	3,8	4,0	4,2	4,0
Quick ratio	0,94	1,00	1,88	1,11	1,16
Current ratio	0,91	0,97	1,80	1,07	1,12

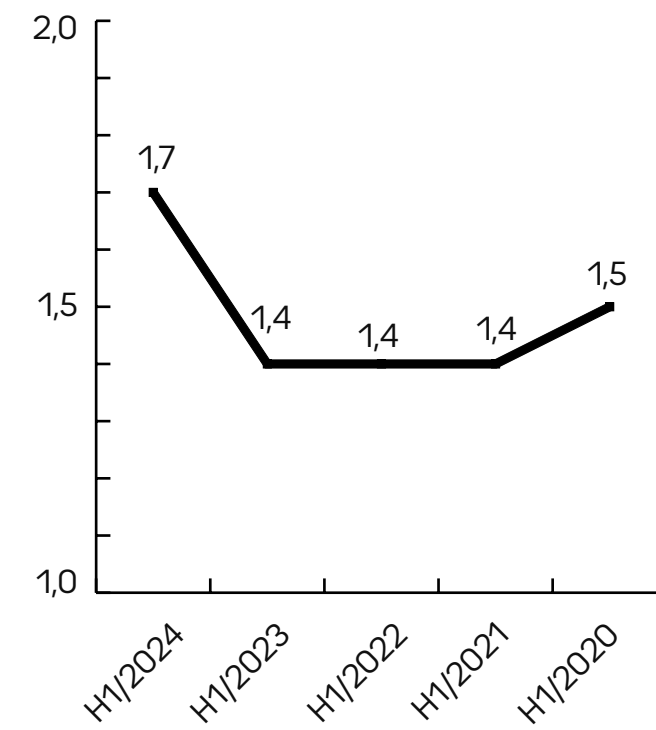
**Production of new housing** has kept competition for tenants fierce, which has been reflected in the Group's occupancy rates.

# Economy in numbers

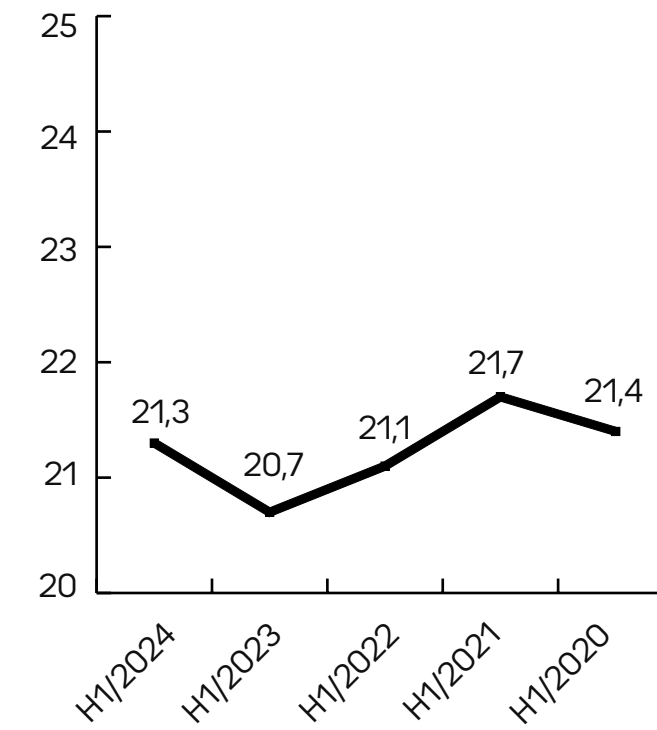
**Interest-bearing debt  
M€**



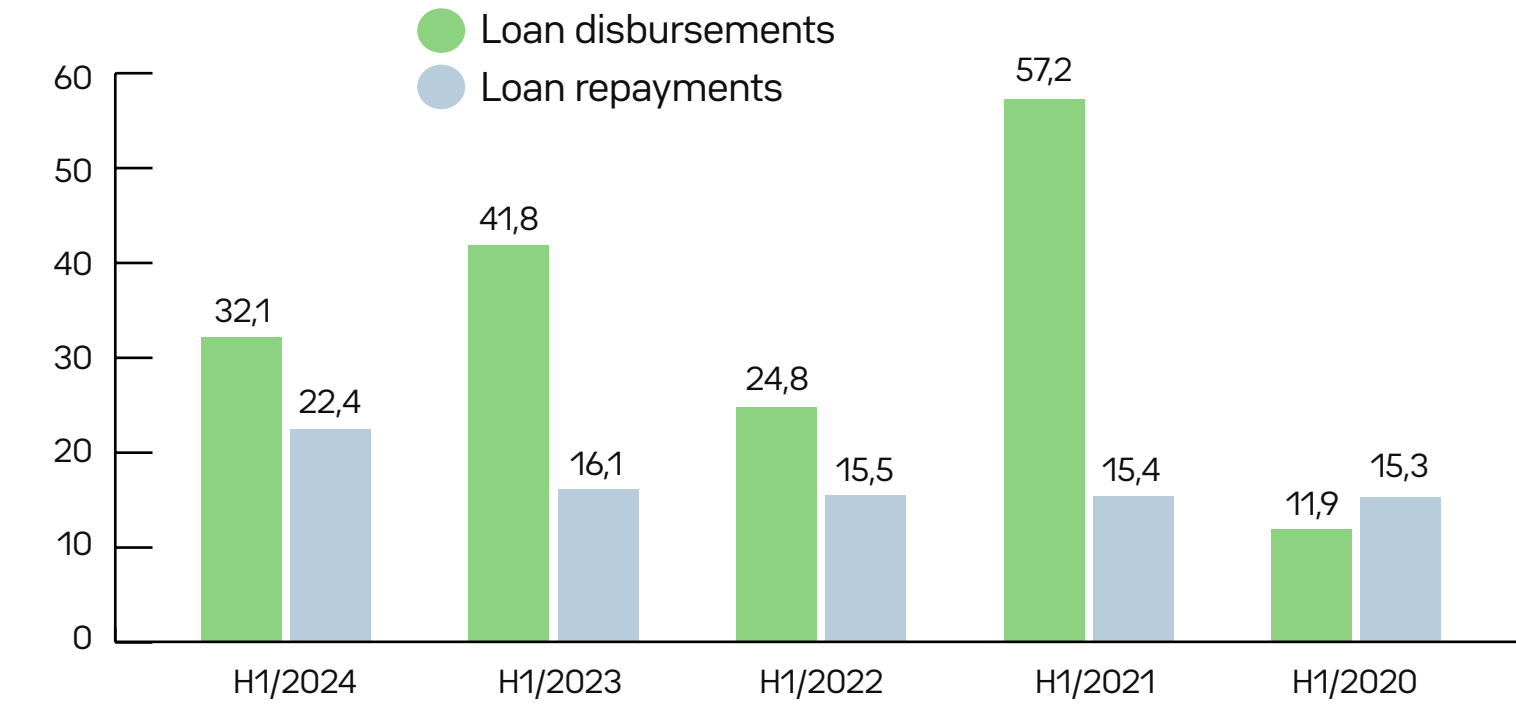
**Average rate  
%**



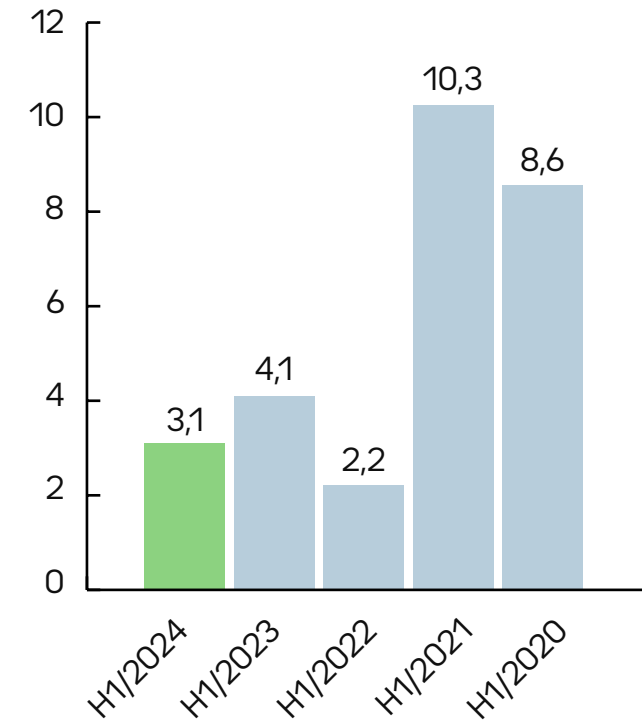
**Maturity  
year**



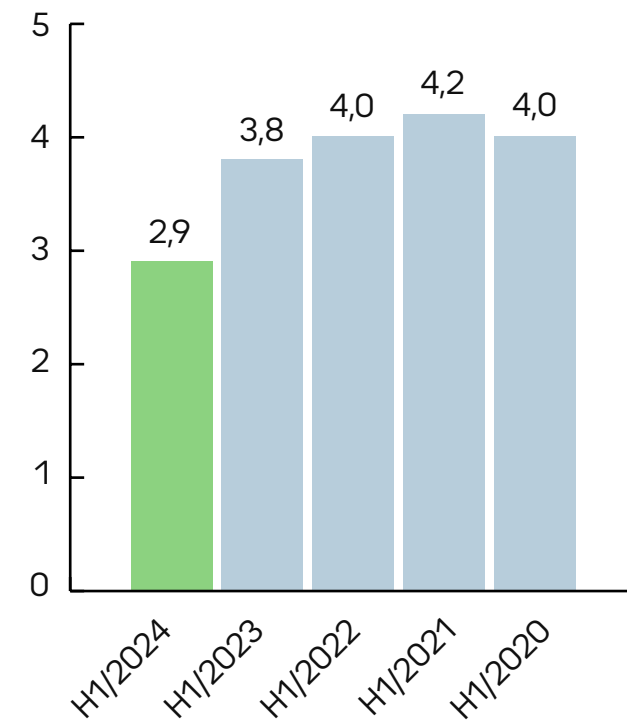
**Loans M€**



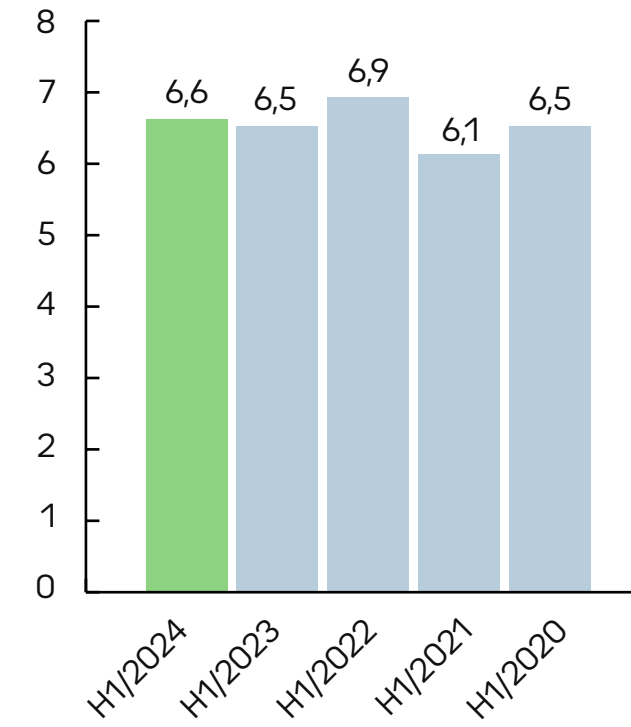
**Profit before taxes  
M€**



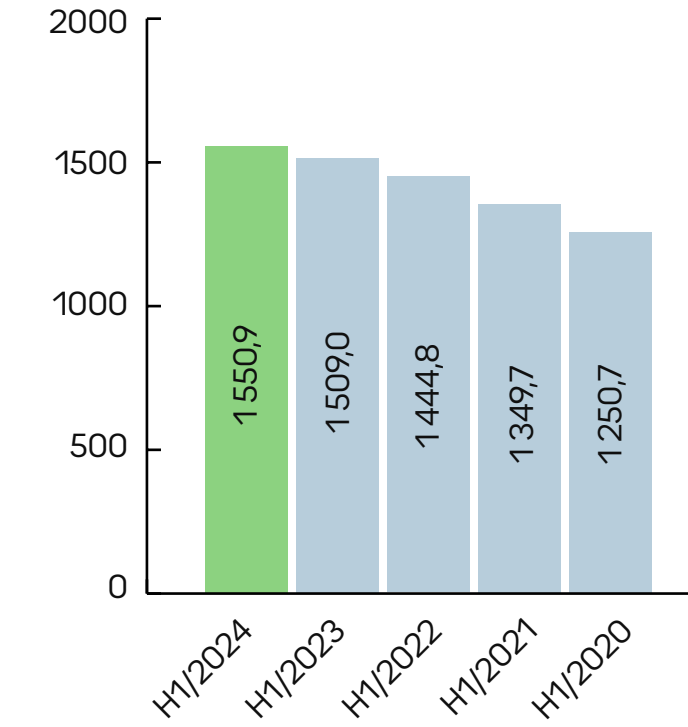
**ICR x**



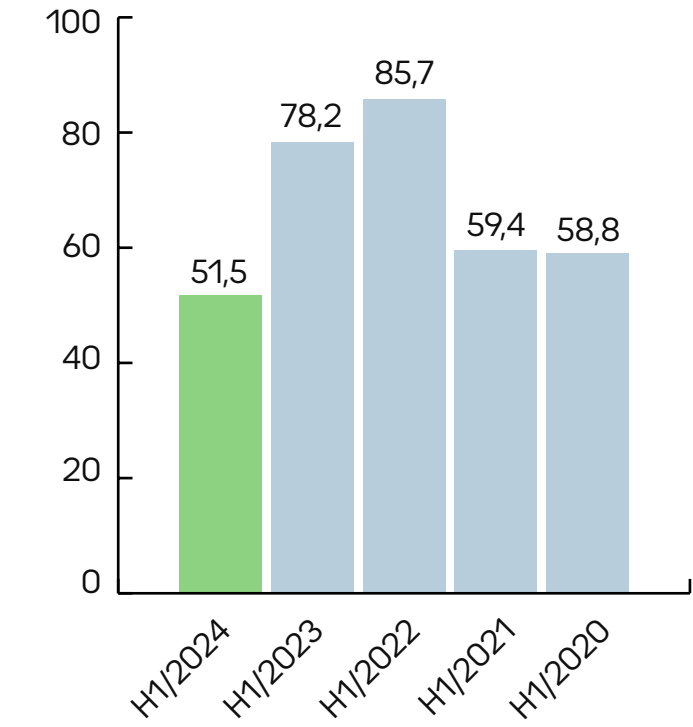
**Administrative costs  
net %**



**Balance sheet total**



**Cash  
M€**





# Risks

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 specific 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
<b>1. Design shortcomings in renovation and new construction</b>			
	3	3	1
Design flaws (material or financial error)	5	1	1
Incorrect timing or sizing	2	2	2
<b>2. Partners risks associated with</b>			
	3	3	1
Bankruptcy of the supplier or	2	3	1
<b>3. Inappropriate location, size and low demand for properties and apartments</b>			
	4	2	1
	2	2	1
<b>4. Major damage to property or personal injury</b>			
	5	2	1
Fire	5	2	1
Water damage	3	2	1
Indoor air problems	5	2	1
Accident			

Identified risk	Accessibility (1-5)	Severity (1-5)	Risk-management level
<b>5. The immediate impacts of climate change and environmental damage and indirect impacts</b>			
	2	2	1
<b>6. Values and actions diverge</b>			
	2	1	1
Loosening economic discipline	2	1	1
<b>7. Adverse effects of the welfare reform</b>			
	4	3	1
First tenants (partners) terminate first tenancies	4	2	1
Tenants without the	5	2	1
<b>8. Economic cycles the effect</b>			
Costs of rapid changes in interest rates	4	4	1
Cost of inflation	5	3	1
increase in cost levels			
Increase in the cost of	4	3	1

Identified risk	Accessibility (1-5)	Severity (1-5)	Risk- management level
<b>9. Y-Säätiö's public benefit status is lost</b>			
- 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
	1	2	1
<b>10. Decision-making based on inadequate facts</b>			
Incorrect or wrong misinterpreted internal information	2	1	2
Insufficient	1	2	1
<b>11. Staff risks</b>			
Key person risk			
Health and well-being (employee illnesses, accidents, exhaustion)	2	2	1
Work environment	3	1	1
Workplace functioning (leadership, atmosphere, information flow)	1	1	1
Misconduct	1	1	1
Competences (professional competences)	1	1	1
lack of competence	1	2	1

Identified risk	Accessibility (1-5)	Severity (1-5)	Risk- management level
<b>12. Accident and misconduct (caused by third parties)</b>			
	2	3	1
<b>13. Data protection risks</b>			
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	5	1	2
	1	3	1
	2	3	1

### Significant events after the financial year

There are no significant events after the financial year.



# Annex 1: Administration of Y-Säätiö

**In accordance with Y-Säätiö's statutes The founding members attending the annual meeting are:**

Association of Finnish Municipalities  
The city of Espoo  
The city of Helsinki  
The city of Tampere  
The city of Turku  
The city of Vantaa  
National Church Council  
Construction Union  
MIELI Finnish Association for  
Mental Health  
Finnish Red Cross  
Confederation of Finnish Construction  
Industries RT

## **Y-Säätiö's Management Group**

Teija Ojankoski, CEO  
Pekka Kampman, Construction Director  
Kari Komu, CFO  
Timo Mutalahti, Group Lawyer  
Juha Niskanen, Property Director  
Minna Pääkkönen, Comms and Marketing Director  
Sari Timonen, Development Director

## **The Board of Directors of Y-Säätiö, which serves a two-year term. The Board of Directors from April 2024**

Maria Viljanen, President, Finnish Red Cross  
Aleksi Randell, Vice Chairman, Rakennusteollisuus RT ry  
Teppo Forss, City of Turku  
Tiina Mäki, City of Helsinki  
Kimmo Palonen, Rakennusliitto ry  
Jussi Koskinen, City of Espoo  
Tapio Tähtinen, MIELI Suomen Mielenterveys ry

# Annex 2: Related parties at Y-Säätiö

In addition to the Foundation Act, its statutes and official guidelines, Y-Säätiö sr complies with the Good Governance of Foundations guidelines published by the Advisory Board for Foundations and Funds in 2015. On the basis of these guidelines, the Board of Directors of the Foundation has adopted on 14 April 2016 a Code of Conduct for Related Parties. According to § 1:8 of the Foundation Act, the Foundation's related parties include, among others, the founders of the Foundation, the Board of Directors, the Foundation's management and the auditors and their family members. In Y-Säätiö, the management of the foundation refers to the CEO and the management team.

Related party transactions refer to legal transactions with related parties, whether for consideration or not, irrespective of their object or title. These may include, for example, the purchase of services from a related party, the sale of a service to a related party, benefits and salaries received by a related party, the provision of a loan or grant or various contracts.

Y-Säätiö does not provide grants or other partially or wholly gratuitous benefits to related parties unless they are part of the purpose of the Foundation and the conditions for their provision are no different from those applicable to third parties. The Foundation shall not enter into any other non-conventional related party transactions with related parties. The Foundation's real estate or housing is rented to the Foundation's founding members and their residents at fair value and on terms similar to those applied to other parties. Remuneration of board members and auditors and management is reasonable and not out of the ordinary.

The Foundation's related party transactions with Group companies are valued at fair value. Fair value is determined on the basis of the Foundation's own expertise, the opinion of the auditors, a review of market conditions and, where appropriate, external expert opinions. In the event of any related party transactions that are in breach of the Foundation Act, the Articles of Association, regulatory requirements or the related party guidelines, they are cancelled.

Significant related party transactions in the interest of the Foundation which deviate from the guidelines will be decided by the Board of Directors or the Managing Director within the scope of their powers. In addition to the Board of

Directors and the CEO, related party transactions are monitored by the Foundation's management and financial administration on behalf of their respective functions.

**Related parties table**

Activities or economic benefits (€)	Nature of the relationship				
	1	2	3	4	5
A. Management salaries, fees and pension		209 158	363 091		
B. Contracts	see below 1B				
C. Aid granted					
D. Loans granted, liabilities and contingent liabilities	180 236 760				

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.

# Y-Säätiö

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