

Annual Report 2024

Y-Säätiö

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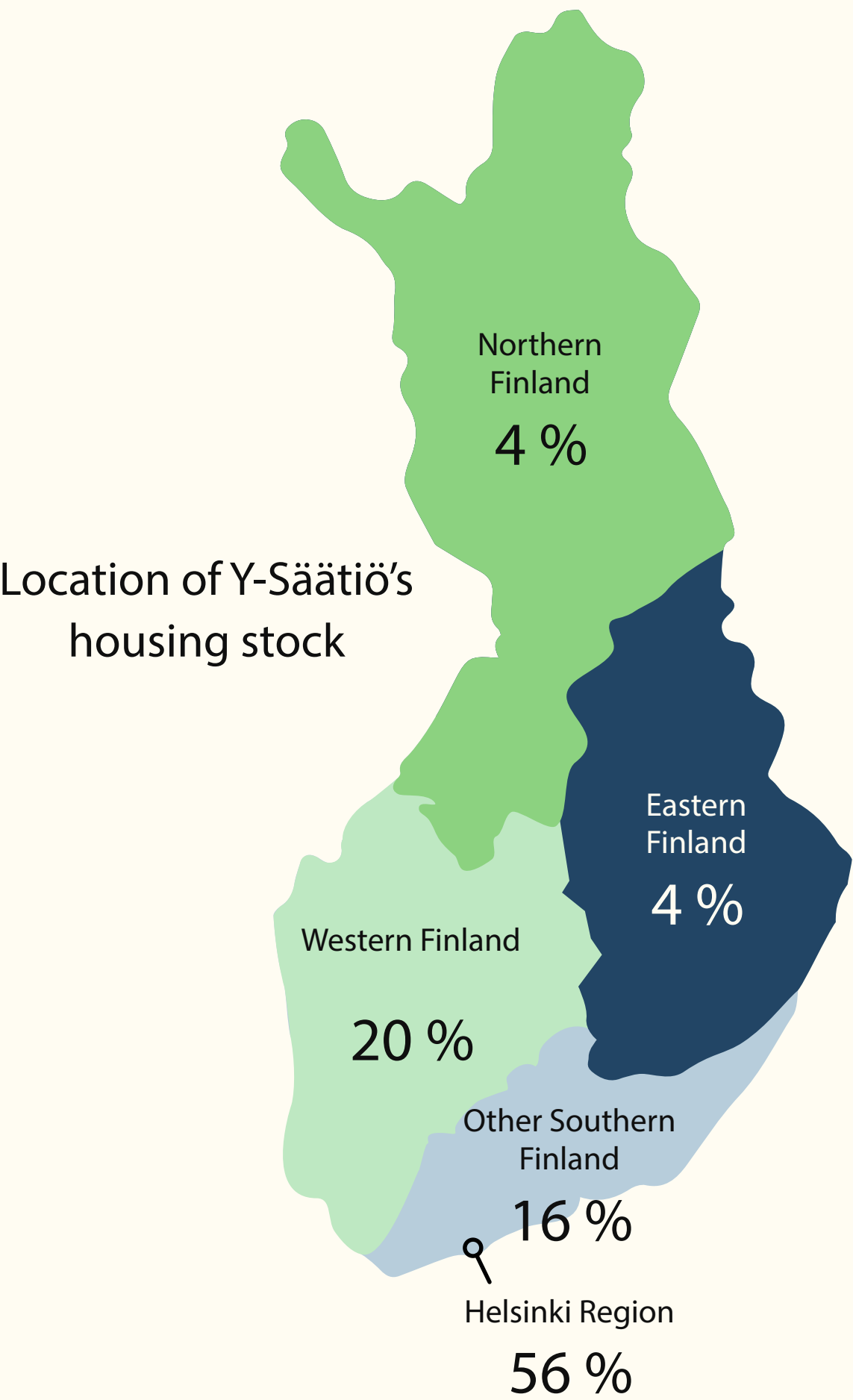
Y-Säätiö Group

The Y-Säätiö Group is the largest nationwide non-profit organization in Finland specializing in affordable rental housing and homelessness. The homes we own include M2-Kodit rental apartments and Y-Kodit, totaling approximately 19,000 units across the country.

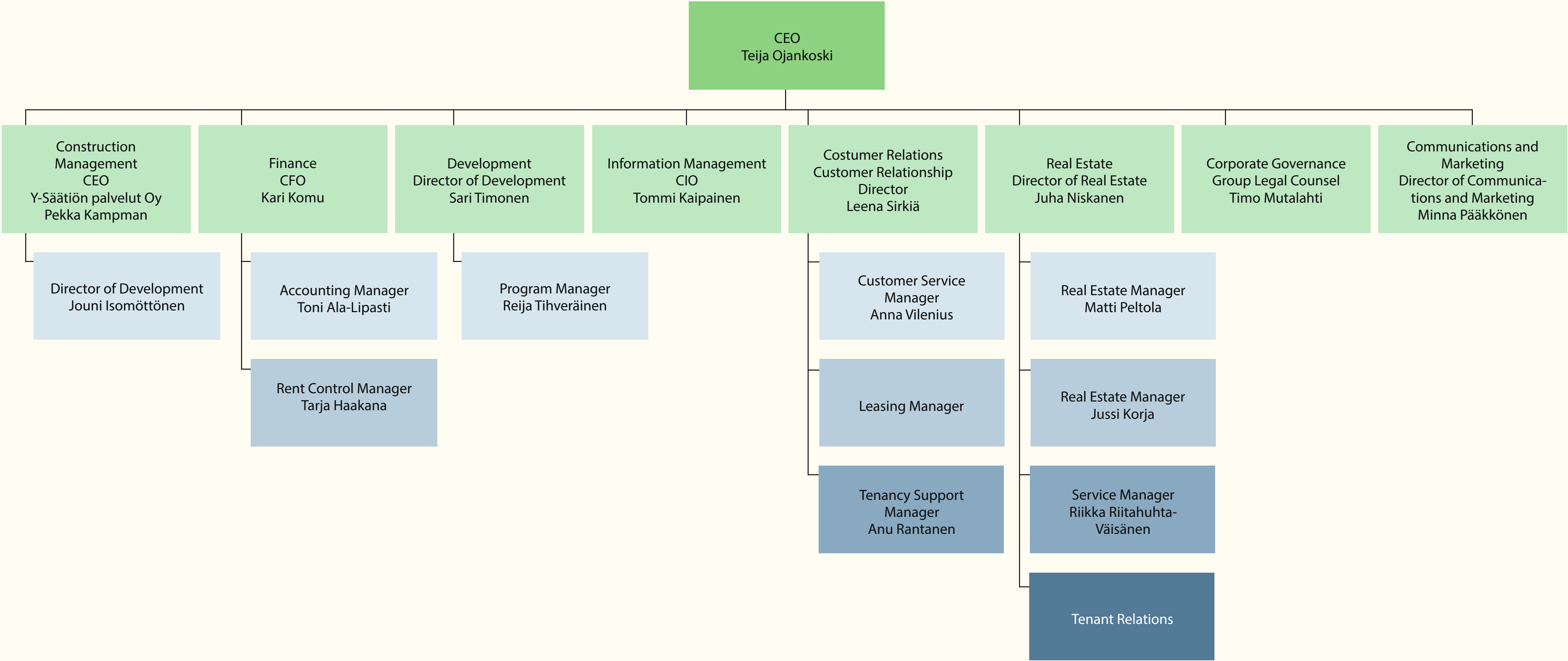
The social and economic well-being of our residents is at the heart of our operations. Our residents can rely on the affordability of their housing.

Y-Säätiö's mission is to prevent and eliminate homelessness through its activities, thereby promoting social justice in society.

Y-Säätiö promotes social justice by providing affordable rental housing. The foundation of all our work is the Housing First model.




Y-Säätiö Group



Values, mission, vision and service promise



Strategic Objectives

Objectives	<div><div>1</div><div>Our residents are economically and socially well-off</div><div><div><div>SDG 1 No Poverty</div><div>SDG 5 Gender Equality</div></div><div><div><div>SDG 8 Decent Work and Economic Growth</div><div>SDG 3 Good Health and Well-being</div></div></div></div></div>	<div><div>2</div><div>We are moving towards a carbon-neutral life</div><div><div><div>SDG 7 Affordable and Clean Energy</div><div>SDG 12 Responsible Consumption</div></div><div><div><div>SDG 9 Industry, Innovation and Infrastructure</div><div>SDG 11 Sustainable Cities and Communities</div><div>SDG 13 Climate Action</div></div></div></div></div>	<div><div>3</div><div>We will eliminate homelessness in Finland and reduce it internationally</div><div><div><div>SDG 10 Reduced Inequality</div><div>SDG 17 Partnerships for the Goals</div></div><div></div></div></div>
Priority Projects	<ul style="list-style-type: none">• Successful Housing• Jobs for Residents• One Y-Säätiö – One Excellent Customer Experience• Growth of the Housing Stock	<ul style="list-style-type: none">• Carbon-Neutral Y-Säätiö by 2035• Sustainable and Effortless Daily Life for Residents	<ul style="list-style-type: none">• Close Collaboration with Cities and Non-Governmental Organizations• Y-Säätiö as a Pioneer in International Homelessness Work• Promoting Equality Together with Our Partners
	We achieve our objectives through key projects, which we will work on throughout the entire strategy period. The projects will be updated and refined as the strategy progresses. Our success is built on a skilled personnel, a stable financial and funding base, and efficient digital tools.		

The Year 2024 at Y-Säätiö:

Sustainable Housing and Collaboration

The year 2024 has been a time of significant achievements and new initiatives for Y-Säätiö. We have continued our mission to end homelessness in Finland and strengthened our position as a responsible and sustainable actor. Our work continues to be grounded in the Housing First model, the provision of affordable housing, and a strong commitment to social and environmental responsibility.

Sustainable Construction and Community-Oriented Housing

Y-Säätiö's long-term strategy is built around three core objectives: supporting the economic and social well-being of residents, promoting carbon neutrality, and preventing and eliminating homelessness both nationally and internationally. In 2024, this strategy was implemented through numerous concrete projects that improved residents' quality of life, advanced sustainable construction practices, and fostered a sense of community.

Y-Säätiö invested significantly in the development of its housing stock, supported by several construction projects. At Myllytie 14 in Järvenpää, the building achieved the highest five-star rating in the Building Information Foundation's environmental classification. In Klaukkala, the Isoleppälä new development was completed with energy-efficient solutions. In addition, the new Postipuisto site reached 585 accident-free workdays, demonstrating successful collaboration with the contractor and a strong commitment to occupational safety on construction sites.

Y-Säätiö remains committed to environmentally friendly solutions and carried out several initiatives during the year to reduce the carbon footprint of housing. For example, the Water Consumption Project led to a significant reduction in residents' water and energy use. Circular economy solutions and ecological innovations were also incorporated into construction projects to support long-term sustainability.



Shared Goals

In May, an international homelessness seminar was held at the Oodi Central Library in Helsinki, and in October, the traditional annual seminar took place at Dipoli in Espoo. These events brought together experts and decision-makers from both Finland and abroad to explore concrete actions for ending homelessness.

Employee well-being and training were also key focus areas in 2024. The development of occupational health services and investments in workplace well-being were reflected in positive results in employee satisfaction surveys. At the end of the year, Y-Säätiö employed a total of 186 people, all working to promote residents' well-being and to develop sustainable housing solutions.


Future Outlook

According to the updated risk assessment conducted during the year, the most significant risks to our operations were related to uncertainty in the housing market, economic fluctuations, and data protection issues. We have invested in improving cybersecurity and forecasting rental demand to better prepare for changing market conditions.

In 2025, Y-Säätiö will continue to develop sustainable housing solutions and strengthen both national and international cooperation to end homelessness. The development of digital services and resident engagement will be key focus areas, helping us enhance the quality of housing and promote community-building. We will also celebrate Y-Säätiö's 40th anniversary throughout the year by highlighting our work to combat homelessness under the theme The Power of Home, while reinforcing our role as a responsible actor in society.

I would like to extend my sincere thanks to all our stakeholders, board members, employees, and residents for their cooperation in 2024. Together, we can continue our efforts toward a more just and sustainable society.

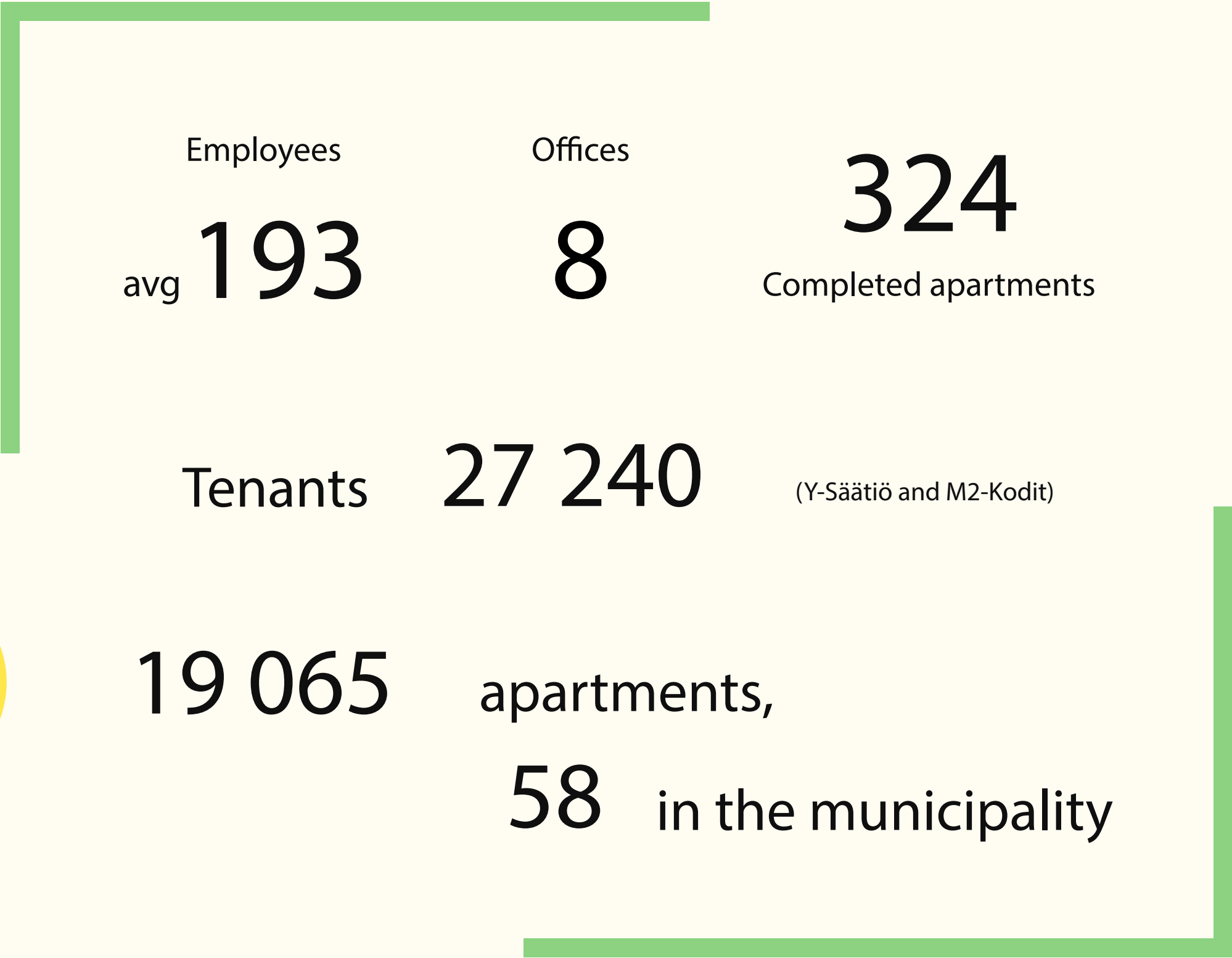
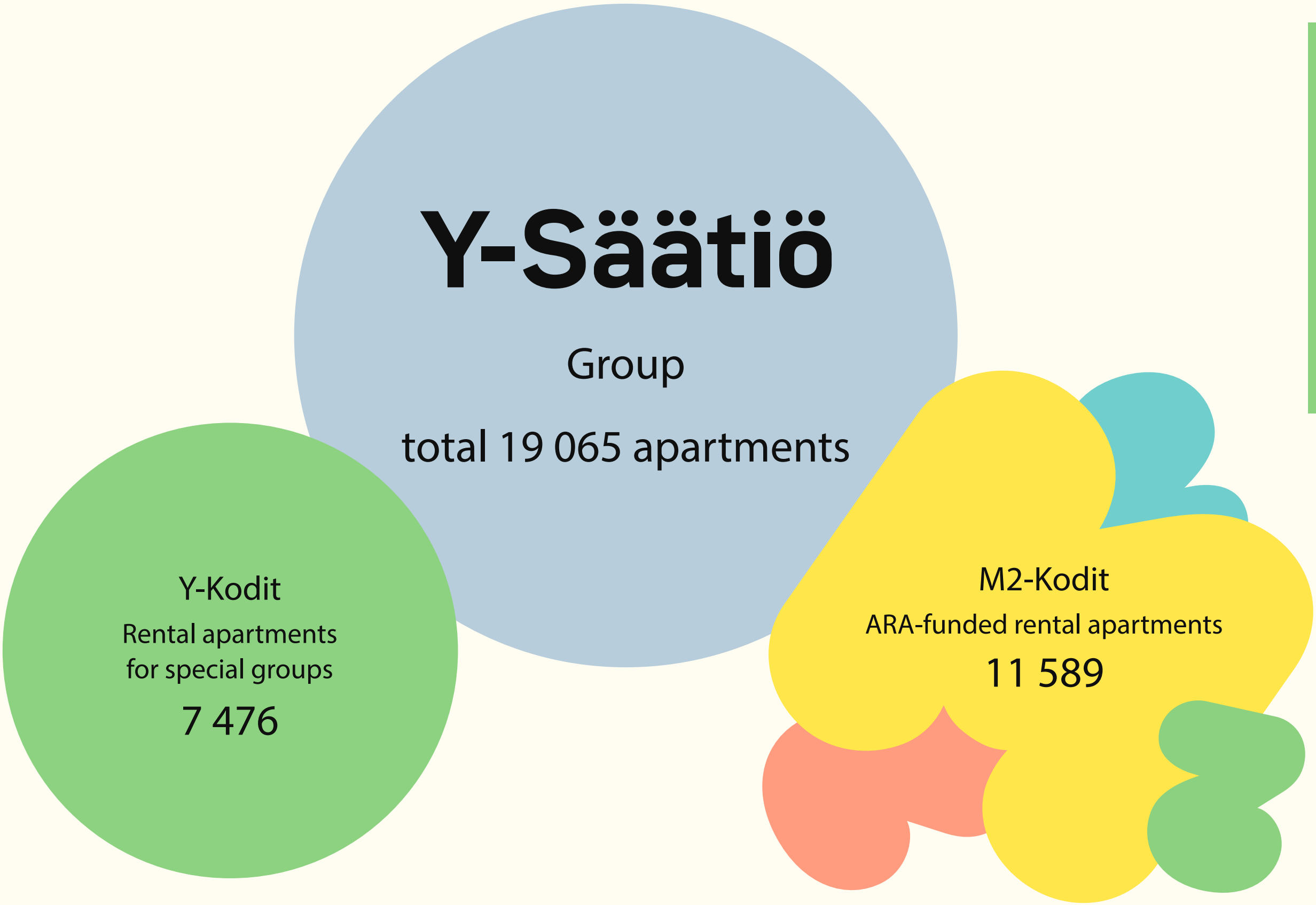
TEIJA OJANKOSKI
CEO, Y-Säätiö



In 2025, Y-Säätiö will continue to develop sustainable housing solutions and strengthen both national and international cooperation to end homelessness.

The Year 2024 at Y-Säätiö:

Key Figures at the End of 2024



Y-Säätiö - Home for All

Y-Säätiö is a non-profit and socially responsible housing provider that focuses its housing operations in growth centres and the Helsinki metropolitan area, while also operating nationally — reaching as far north as Rovaniemi.

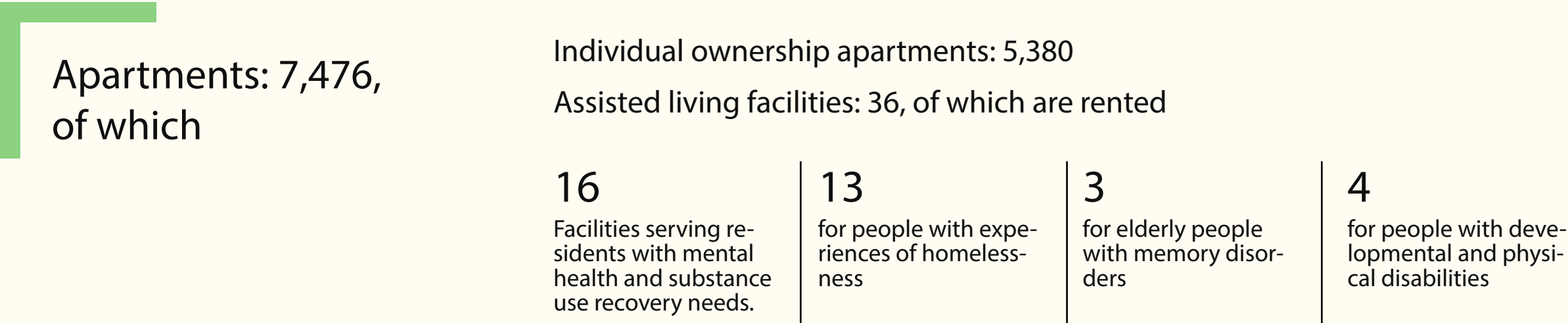
At the end of the reporting period, the Y-Säätiö Group owned a total of 19,065 apartments across 58 localities. During the year, 370 apartments were under construction, 324 were completed, 62 individual units were sold, and 27 new units were acquired. In 2024, the Group’s average occupancy rate was 94.6% (96.5%), tenant turnover averaged 15.62% (15.25%), and the average rent was €14.55/m² (€14.04/m²).

At the end of the reporting year, Y-Säätiö’s head office in Helsinki relocated from Hakaniemi to Pasila. In addition, Y-Säätiö operates seven regional offices around Finland, including M2-Kiinteistöhuolto’s service centre in Vantaa.

At the heart of Y-Säätiö’s mission is to provide homes for those in greatest need and to advance the implementation of the Housing First principle — with the goal of ending homelessness in Finland and reducing it internationally. In addition to its core task of providing housing, the Y-Säätiö Group also produces and shares research and expertise to promote dignified housing as a fundamental human right.

Y-Säätiö’s housing portfolio is divided into two housing brands: Y-Kodit and M2-Kodit

Y-Kodit mainly consist of individual apartments and assisted living facilities acquired with funding from STEA and ARA. These homes are intended for rental housing for special groups. Approximately 80% of Y-Kodit apartments are leased to partner organizations, such as municipalities, cities, and NGOs, while the remaining units are rented directly to private individuals by the Group. The average size of a Y-Kodit apartment is 38 m², and the turnover rate in 2024 was 5.51% (6.8%).



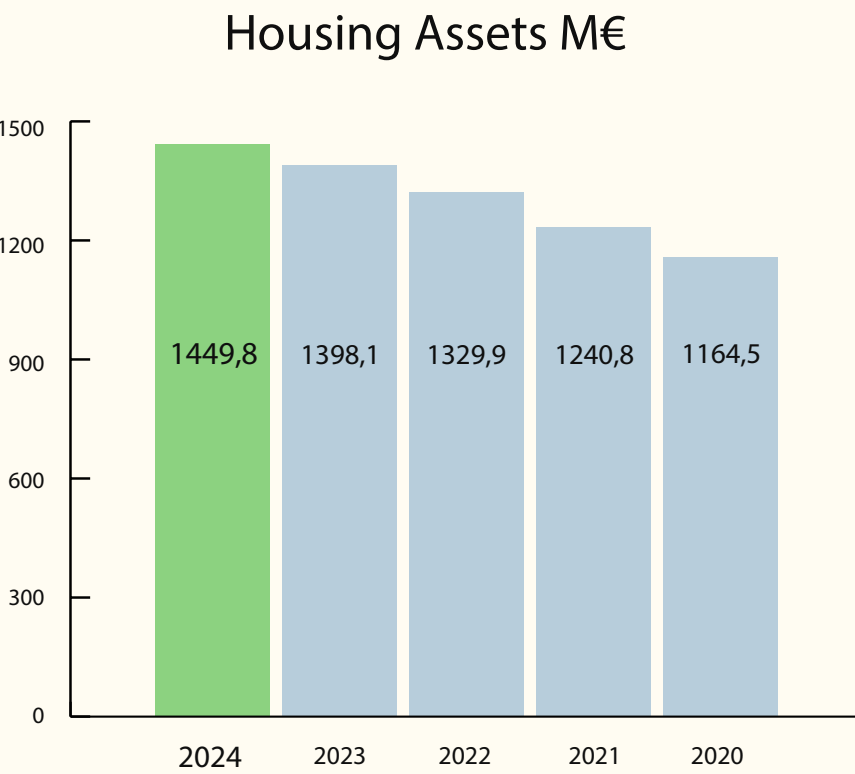
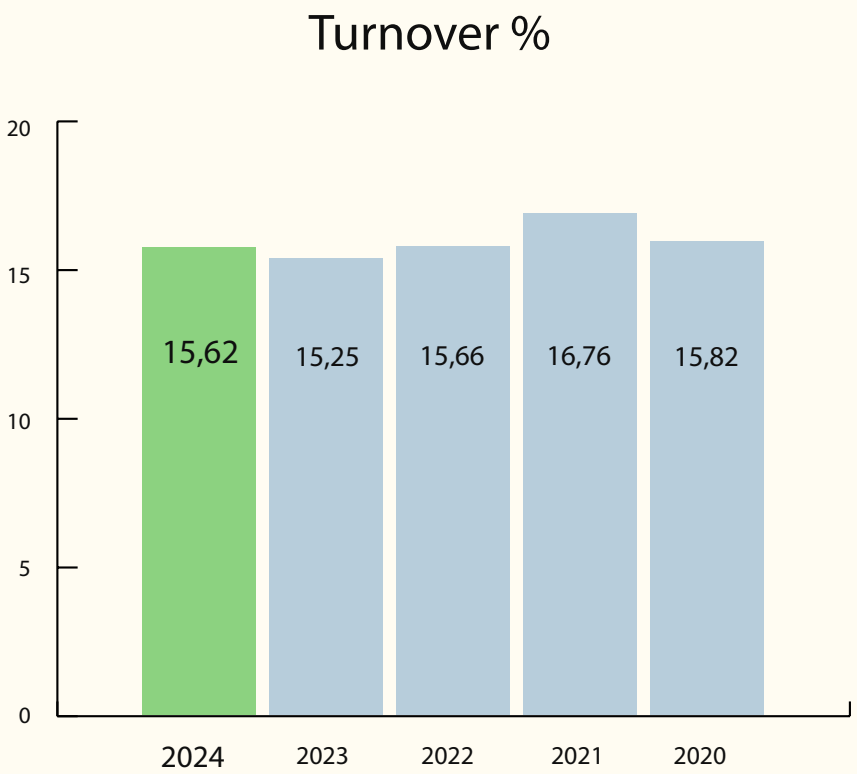
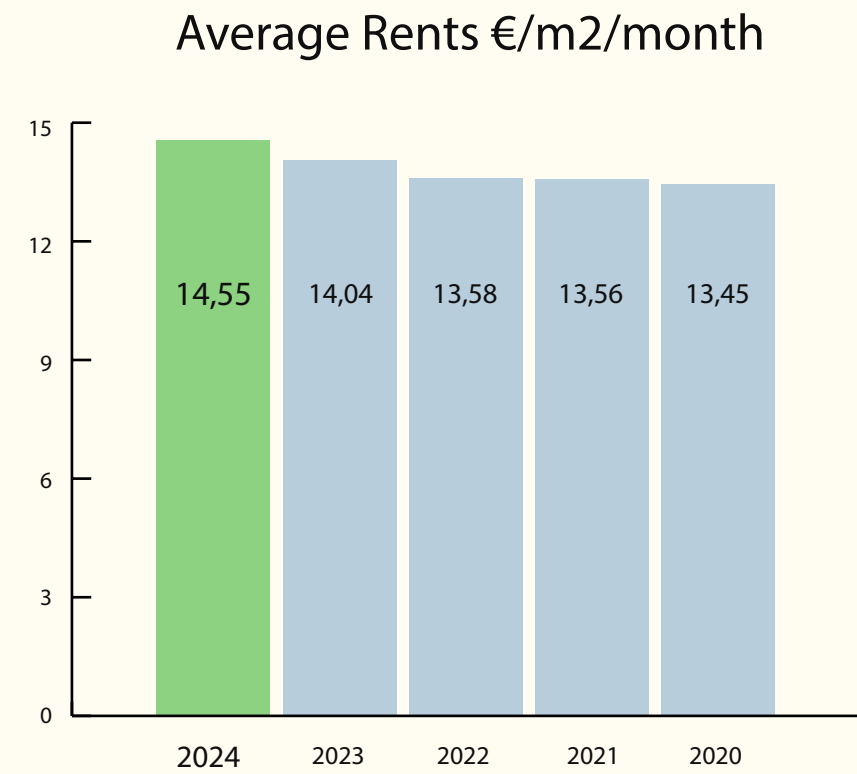
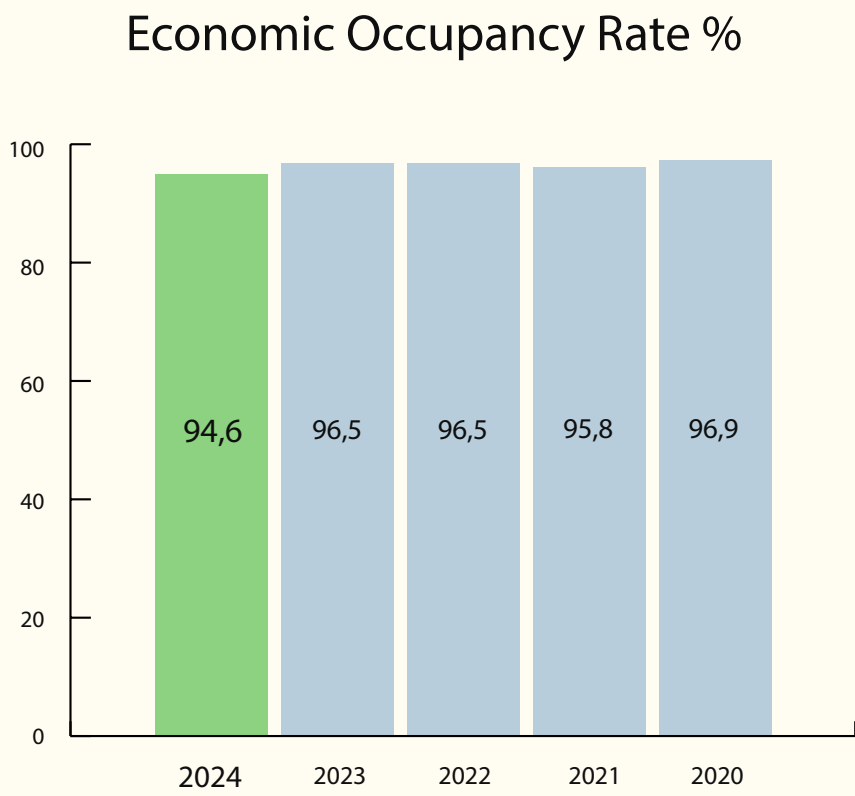
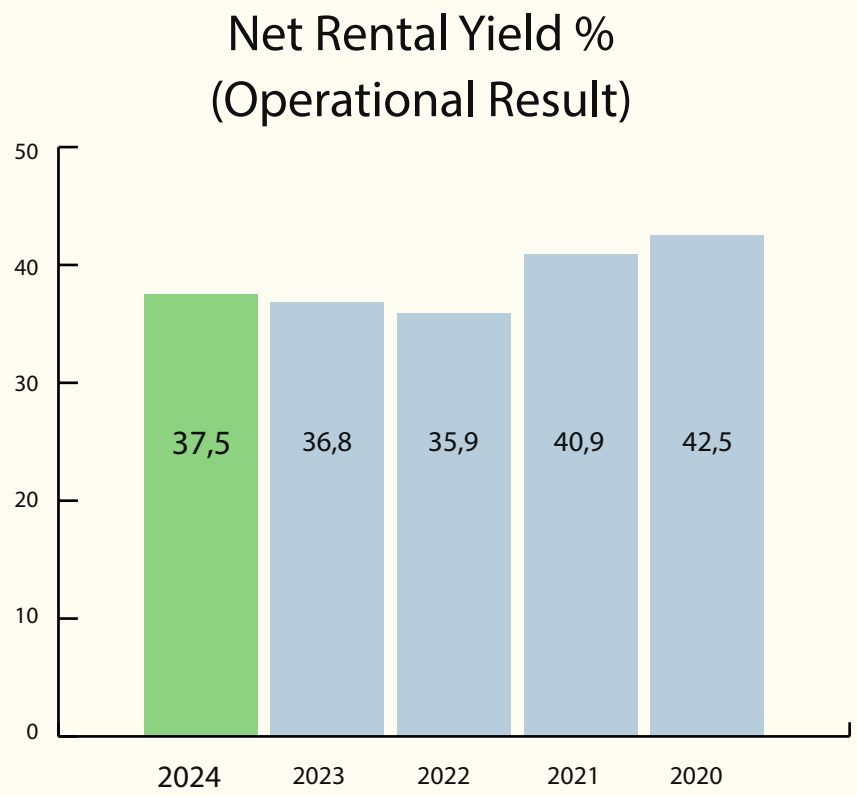
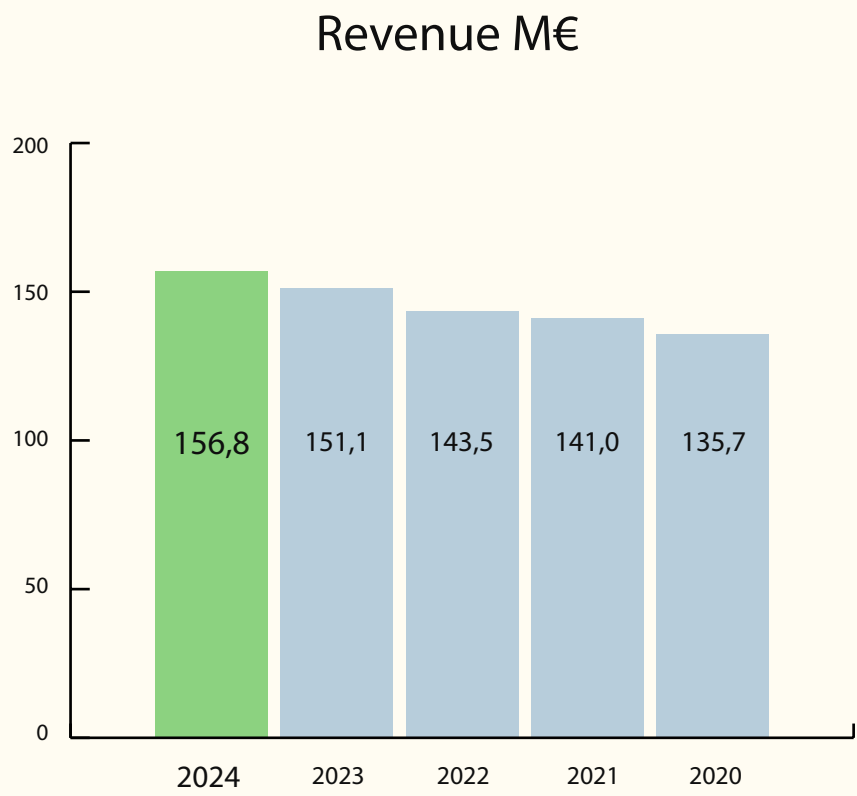
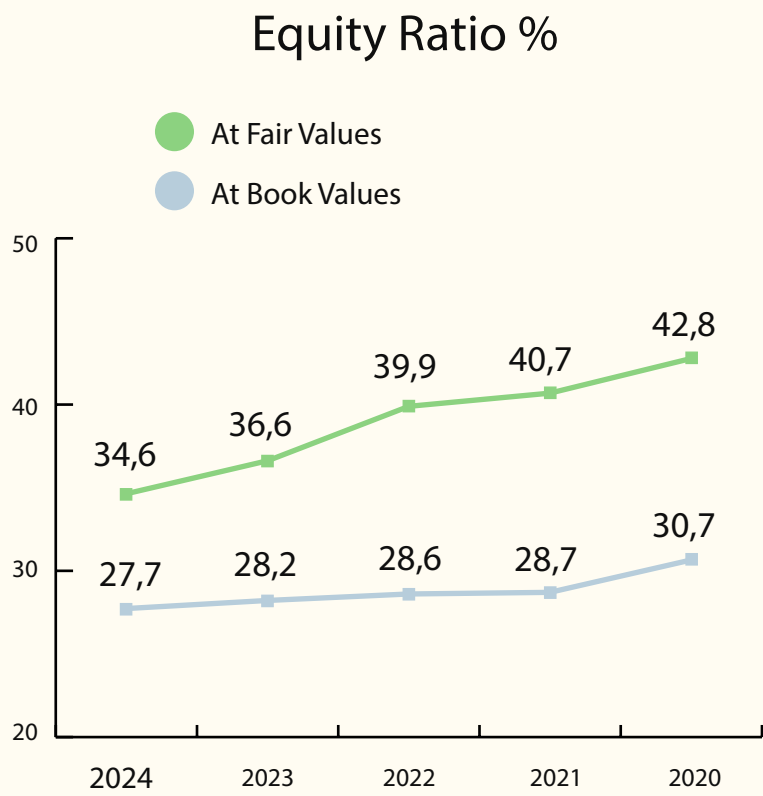
M2-Kodit consists of state-subsidised ARA housing, where tenant selection is based on the urgency of housing need. The average size of an M2-Kodit apartment is 56 m², and the turnover rate was 22.33% (20.95%).



Y-Säätiö Group’s housing portfolio also includes five “hybrid” rental housing properties that feature both M2-Kodit apartments and homes designed for special groups.

YEAR 2024 IN SUMMARY

Financial Development 2024–2019



Y-Säätiö – since 1985

FOUNDING MEMBERS



City of Helsinki



City of Espoo



City of Vantaa



THE CITY OF TAMPERE



**CITY OF
TURKU**



KIRKKOHALLITUS 

mieli
Suomen Mielenterveys ry




Rakennusliitto
BYGGNADSFÖRBUNDET

 **Rakennusteollisuus**

Board of Directors and Executive Team

Y-SÄÄTIÖ BOARD OF DIRECTORS

For the period from 28 April 2022 to 26 April 2024

Tomi Henriksson / City of Vantaa (left the board)
Tiina Mäki / City of Helsinki
Kimmo Palonen / Finnish Construction Trade Union
Aleksi Randell / Confederation of Finnish Construction Industries RT
Pekka Salmi / City of Tampere (left the board)
Tapio Tähtinen / MIELI Mental Health Finland
Maria Viljanen / Finnish Red Cross

From 26 April 2024 until the 2026 Annual General Meeting

Jussi Koskinen, M.Sc. (Tech), nominated by the City of Espoo (newly appointed)
Tiina Mäki, Director of Administration, nominated by the City of Helsinki
Tapio Tähtinen, Director of Administration, nominated by MIELI Mental Health Finland
Kimmo Palonen, Chairperson, nominated by the Finnish Construction Trade Union
Aleksi Randell, CEO, nominated by the Confederation of Finnish Construction Industries RT
Maria Viljanen, Expert in Psychosocial Support, nominated by the Finnish Red Cross
Teppo Forss, CEO, nominated by the City of Turku (newly appointed)

Y-SÄÄTIÖ EXECUTIVE TEAM



Teija Ojankoski
CEO



Tommi Kaipainen
CIO



Pekka Kampman
CEO, Y-Säätiön's service



Kari Komu
CFO



Timo Mutalahti
Group Legal Counsel



Juha Niskanen
Real Estate Director



Minna Pääkkönen
Communications and
Marketing Director



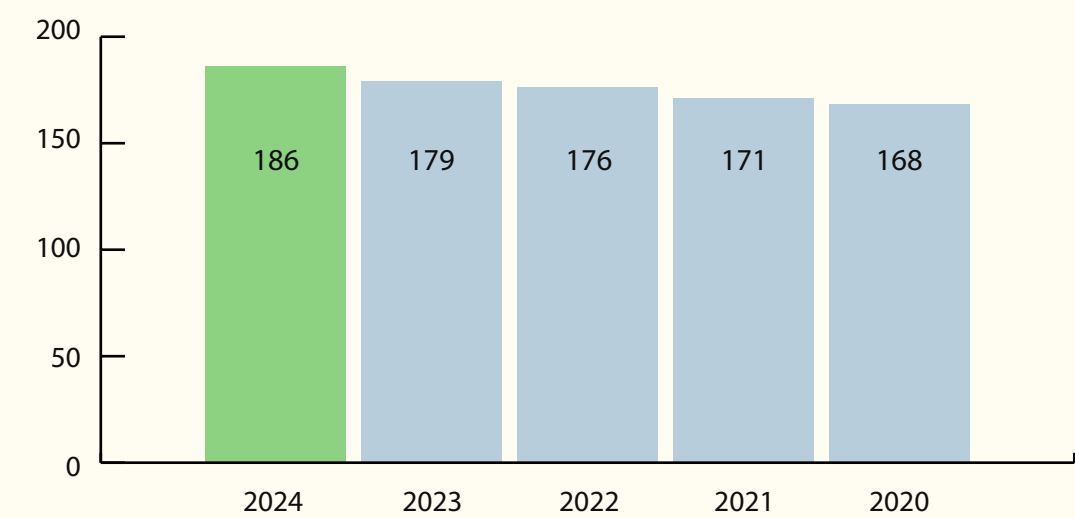
Leena Sirkiä
Customer Relationship
Director



Sari Timonen
Development Director

Employee Figures

Number of Employees
at the End of the Period



Average Number of Employees
at the End of the
Period

193

Non-Permanent Employment

Part-Time Employees

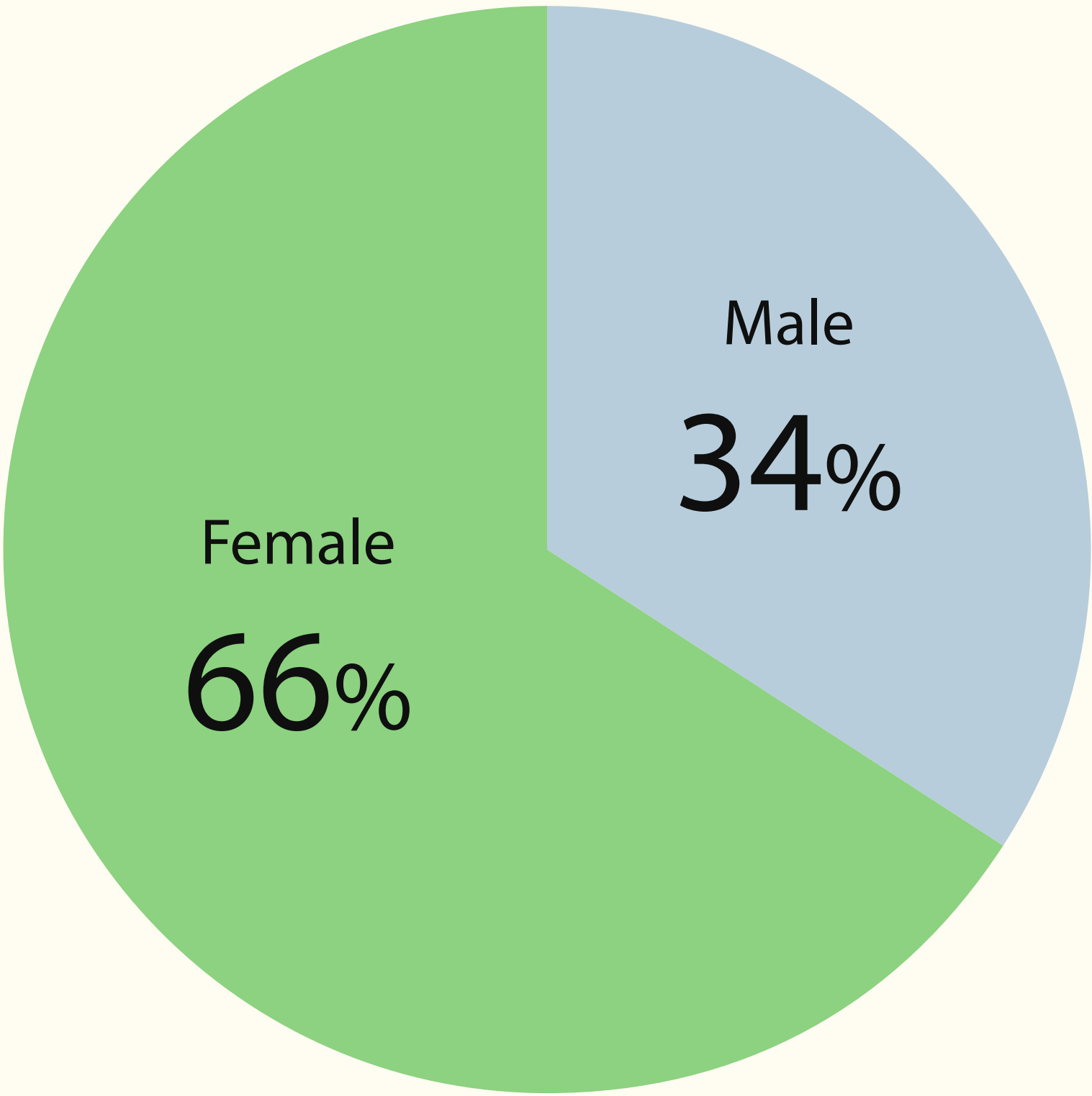
Fixed-Term Employees

3

19

Regional Office
Staff

51



Uuras Employment Programme

The year 2024 brought significant challenges to the Uuras Employment Programme, but also new approaches and solutions. The removal of the protected portion of unemployment benefits and cuts to housing allowance made the financial situation of residents more difficult and reduced the appeal of short-term work. At the same time, the overall employment situation weakened, and many sectors that had previously faced labour shortages became more competitive.

There were also changes in corporate partnerships. Long-standing collaborations with Vertico and Seure came to an end, and new partnerships were established with SOL Personnel Leasing and Parkkipate. These new partners offer job opportunities that do not require prior experience. Light entrepreneurship was piloted in manual snow removal work, and it proved to be a successful model, enabling better earnings for participants.

In resident engagement, the focus shifted to the economic viability of short-term work and declining motivation. To support employment, Uuras developed the Hygge coaching programme and a multidisciplinary workshop. However, finding concrete solutions remained challenging. Staff resources were reduced, though interns brought new skills and fresh perspectives to the team.

In communications, the monthly newsletter continued to highlight job and training opportunities. Community events such as the Pihapiirit gatherings aimed at young people helped strengthen social ties and engagement.

Despite the difficulties, the Uuras team succeeded in developing new approaches.

Light entrepreneurship, new company partnerships, and greater flexibility in operating models will help ensure continued access to job opportunities.

In 2025, Uuras will continue to support residents, drawing on the lessons learned over the past year.



New Address – Maistraatinportti 1

Y-Säätiö Established New Collaborative Office Space

At the turn of the year, Y-Säätiö relocated to Maistraatinportti in Pasila, Helsinki. The Foundation had long operated in Hakaniemi, occupying three floors. As the lease was coming to an end, it was an opportunity to consider new office premises.

In Hakaniemi, each employee had their own office, but due to the rise of hybrid work, much of the space remained underutilized. The total office space was reduced from nearly 3,000 square metres to 1,800 square metres. There are now one-third fewer individual workstations, but everyone still has a place to work when shared areas like the work café and meeting rooms are included.

The Hakaniemi office was centrally located, and maintaining good transport connections was essential. Pasila offers an excellent and accessible location at the heart of Helsinki's transport network.

What Requirements did Y-Säätiö set for It's Office Premises?

The office is home to professionals in areas such as financial administration, property management, and rental services. To support the wide range of work tasks, the space includes quiet zones, areas suitable for Teams meetings, and interactive team and meeting rooms that also enable smooth collaboration with regional offices.

The new office also houses customer service and housing advisory services for applicants and current residents. A dedicated customer service area is located on-site, accessible either by stairs or directly via elevator.

Maistraatinportti offers us an opportunity to rethink the way we work.



Construction

In 2024, new housing developments were completed in Helsinki, Espoo, and Klaukkala, comprising a total of 324 rental apartments.

In addition to these completed projects, new construction was launched during the year in Turku, Espoo, Helsinki, Tampere, Kangasala, and Pirkkala. A total of 370 apartments are currently under construction.

In new construction, Y-Säätiö continues to develop its housing concepts and actively seek new partnership opportunities. The goal of these partnerships is to find innovative ways to deliver affordable housing and to identify plots and urban blocks suitable for such development.

A total of

370 apartments
are under
construction.



Development

Y-Säätiö's development activities are diverse and support the implementation of the organisation's strategy. This work is carried out through an extensive network of national and international partnerships and collaborations. The results and outputs of development projects are openly available on Y-Säätiö's website.

The Foundation also shares its development work through blog posts, public discussion, expert presentations, and articles. In 2024, approximately 80% of the development activities were funded through external project grants, with the largest contributors being STEA and the European Union.

Collaboration with students is also an important part of development work. Y-Säätiö continuously hosts interns and thesis students from both Finland and abroad.

Global Engagement

Y-Säätiö's international work is active and impactful. During the reporting year, nearly 10,000 participants followed the Finnish and Y-Säätiö example through international seminars and webinars on homelessness. Around 100 international guests visited Y-Säätiö in person — some travelling from as far as Canada, New Zealand, and Japan.

Y-Säätiö plays a leading role in working groups and collaborations in both the Nordic Homelessness Alliance — a network we helped establish — and the Europe-wide Housing First Europe Hub. This work has gained visibility in approximately 20 international media articles, and global interest continues to grow year by year.

In line with our strategy, international cooperation is producing concrete results. Inspired by Y-Säätiö's example, Stockholm City Mission opened a 40-apartment Housing First building in 2024. In Manchester, a new homelessness reduction programme was published in autumn 2024, building on the visit of Mayor Andy Burnham to Finland and Y-Säätiö back in 2019.

Research and Analysis

In 2024, Y-Säätiö's research activities were extensive both nationally and internationally, and they aligned with all of the Foundation's strategic focus areas. The water-saving study was completed and highlighted the importance of motivating residents to reduce water consumption and adopt environmentally friendly practices.

The year also saw the launch of the RADAR research project, funded by ARA and conducted in collaboration with the University of Turku. Utilizing large-scale register data, RADAR investigates the cost implications of homelessness.

Other research efforts focused on evaluating the impact of the Uuras Employment Programme, and examining the process and experiences related to supported housing transitions — results from these projects will be available in 2025. Evaluation research also continued in support of three separate projects.

Y-Säätiö received additional research funding from the Miina Sillanpää Foundation for the years 2025–2026 to support a study on strengthening the inclusion of elderly residents.

Internationally, Y-Säätiö serves as a partner in Erasmus+ funded projects. In the Adapting Housing First project, which examines the application of the Housing First model across Europe, Y-Säätiö leads the research component. The project is coordinated by Sophia Housing (Ireland), with other partners including Arrels Fundació (Spain) and Housing First Berlin (Germany).

Y-Säätiö also coordinates the Finnish segment of the Erasmus+ Women's Voices project, which aims to improve services and support for women experiencing homelessness. The project began in 2024 and will continue until spring 2027.

In addition, Y-Säätiö is a member of the European Network for Housing Research.

Housing First Network Developers

The Housing First Network Developers, supported by STEA funding, have for years served as a national platform for co-development in homelessness work. The network brings together organisations and actors from various sectors across Finland. Changes in the operating environment of public administration and the NGO sector, along with staff turnover, have created a continuous need for orientation and training in the Housing First approach within organisations.

The Network Developers have advanced collaboration across the homelessness sector by developing shared quality guidelines, exchanging good practices and experiences, and offering a forum for peer learning. The network includes organisations with specialised expertise in key target groups.

In 2024, Y-Säätiö and the Network Developers co-organised the traditional National Homelessness Seminar in collaboration with ARA and the City of Espoo. The Network Developers also participated as partners in the Rent Arrears Days led by ARA. Members of the Network Developers’ steering group conveyed the voice of homelessness organisations to Mika Pyykkö, the appointed rapporteur, highlighting the importance of NGOs in preventing and addressing homelessness. The group also issued a joint statement regarding proposed cuts to STEA funding directed at NGOs.

Successful Housing Project

In its second year of operation, the Successful Housing Project, funded by STEA, supported successful housing solutions for 43 individuals. The project focuses on safeguarding the transitional phases of the housing pathway for people with a history of homelessness—both while waiting for supported housing from Y-Säätiö and when moving from high-support housing units towards independent living.

Residents receive personalised guidance and support throughout these transition phases. At the same time, the project develops collaborative models within the new regional wellbeing service structure, specifically for these critical transitions—where individuals are at high risk of falling through the service system and returning to homelessness.

To ensure stable housing, the project provides individual counselling and support, as well as group-based coaching. Core methods include guiding residents to basic services, assisting with administrative matters, finding suitable homes within Y-Säätiö’s housing stock, conducting home visits, regular meetings with residents, and coordinating resident support networks.

A key finding from the project is that the continuity of housing relies on adequate support, both in content and duration. Another notable observation is that the need for transitional housing support extends to a wider and more diverse group of people than before. This includes not only individuals with substance abuse issues but also young adults, working people, families with infants, and others in various life situations who are at risk of housing insecurity.

Y-Paths Project

The Y-Paths Project, funded by STEA, focuses on the development of youth housing support within Y-Säätiö. The project has developed new working methods for supporting young residents in their transition to independent living, and for preventing and addressing housing-related challenges. A central focus has been on improving ways to reach young adults and ensuring a visible presence at residential properties to create opportunities for dialogue and trust.

Project staff, who have become familiar and approachable to the young residents, have successfully lowered the threshold for seeking individual guidance and support. In 2024, the project reached a total of 205 different young adults, of whom 165 received one-on-one support. The project has helped many of these residents manage rent arrears effectively. As a result, rent arrears have not increased in the targeted properties, and eviction rates have declined — contrary to the national trend, which has shown a significant rise.

In addition, young people have been referred to Ohjaamo (One-Stop Guidance Centers), church social work services, and basic public services provided by wellbeing services counties, particularly for support with rent arrears. The project has also promoted civic participation by organising shared information sessions and events.

To support community-building, the project developed Pihapiirit events, organised in residential buildings. These events bring together residents and professionals to engage in dialogue around various themes, strengthening both social cohesion and early support.

Jiippi Project

The Jiippi Project, co-funded by the European Union (ESF+), strengthens young people’s social inclusion and equality through experiential and adventure-based educational methods. The lead partner of the project is Valo Coaching Association.

As part of the project, young people have gone sailing, taken part in nature-based adventures, discovered communities, and formed friendships. They receive individual guidance and support in exploring educational pathways, helping them identify the most suitable routes toward working life.

In Y-Säätiö’s subproject, the focus has been on building life skills and housing capabilities to help young people manage the challenges of independent living. The project has successfully reached young individuals who have been outside existing support services or who have not previously benefited from them in building their futures.

Collaboration with Aalto University

As part of the Space in Practice project in collaboration with Aalto University in autumn 2024, new models for future living were developed for M2-Kodit properties owned by Y-Säätiö. The project also focused on proposing solutions to improve the adaptability of large one-bedroom apartments to better meet current standards and residents’ needs.

During the workshops, students considered development suggestions gathered from our residents and took into account the landlord’s perspective on areas in need of improvement. As a result, four student teams each presented a concept, and one of these was selected as the winning design.

The winning team’s concept lays a strong foundation for developing adaptable and cost-efficient housing solutions that respond to the evolving needs of residents.

Related Party Transactions at Y-Säätiö

In addition to complying with the Foundations Act, its own rules, and official regulatory guidance, Y-Säätiö sr follows the Good Governance of Foundations guidelines published in 2015 by the Council of Finnish Foundations. Based on these, the Foundation’s Board approved Y-Säätiö’s own Related Party Guidelines on 14 April 2016.

According to Section 8, Chapter 1 of the Foundations Act, Y-Säätiö’s related parties include the Foundation’s founders, members of the Board, senior management, and auditors, along with their family members. At Y-Säätiö, senior management refers to the CEO and the Executive Team.

Related party transactions refer to both compensated and uncompensated legal actions carried out with related parties, regardless of the subject or title. These may include, for example, purchasing services from or selling services to a related party, benefits and salaries received by related parties, or the granting of loans or subsidies, as well as other types of agreements.

Y-Säätiö does not grant subsidies or any other partially or fully uncompensated benefits to related parties, unless such support is part of the Foundation’s purpose and the terms do not differ from those applied to external parties. The Foundation does not engage in any other non-standard related party transactions.

The Foundation’s properties and apartments may be rented to its founding cities and their residents at fair market value and on the same terms as to any other parties. Fees paid to Board members and auditors, as well as compensation for senior management, are reasonable and do not deviate from standard practice.

Related party transactions between the Foundation and its subsidiaries are valued at fair market value. Determination of fair value is based on in-house expertise, market analysis, and, when necessary, external expert opinions. If any related party transactions violate the Foundations Act, the Foundation’s rules, official regulations, or internal guidelines, such transactions are cancelled.

Related parties table					
	Nature of the relationship				
Activities or economic benefits (€)	1	2	3	4	5
A. Management salaries, fees and pension commitments	-	271 957	870 066	-	-
B. Contracts	see below 1B	-	-	-	-
C. Aid granted	-	-	-	-	-
D. Loans granted, liabilities and contingent liabilities	180 004 391	-	-	-	-
<div>1. Related parties include: Founding members of Y-Säätiö and their subsidiaries and foundations, as well as companies within the Y-Säätiö Group Members and deputy members of the boards and supervisory boards of Y-Säätiö or the organisations mentioned above, the CEO and their deputy, responsible partners, and auditors Members of Y-Säätiö’s Executive Team Family members of persons referred to in items 1–3 Entities or foundations controlled by persons referred to in items 1–4.</div> <div>1B. Y-Säätiö pays its founding members (Espoo, Helsinki, Tampere, Turku, Vantaa) standard property-related fees such as property taxes, street maintenance fees, and building permit fees. The founding members pay market-based rent for the apartments they lease from Y-Säätiö.</div> <div>1D. Y-Säätiö has granted loans to its subsidiaries for the construction and acquisition of residential properties intended for use in line with the Foundation’s purpose. Terms of group loans: Repayment of principal and interest once per year on 31 December. Interest rate: 3%–6%. Average loan maturity: 9.54 years.</div> <div>2. Compensation of the Board and CEO 2A. Salaries and fees paid to the members of Y-Säätiö’s Board of Directors and the CEO. Fees paid to the auditor are disclosed in the notes to the financial statements.</div> <div>3. Executive Compensation 3A. Salaries paid to members of Y-Säätiö’s Executive Team.</div>					

Significant related party transactions that deviate from guidelines but are in the Foundation’s best interest are approved either by the Board of Directors or by the CEO within their scope of authority.

In addition to the Board and CEO, related party transactions are also monitored by the Foundation’s senior management and finance department.

Risk Assessment 2025

Summary:

Strategic Risks	Operational Risks	Financial Risks	Hazard Risks
Inefficient Location of Housing Stock and Weak Demand	Procurement Risks	Impact of Economic Cycles	Major Property or Personal Injury Loss
Sudden Changes in the Operating Environment	Human Resources Risks		Direct and Indirect Impacts of Climate Change and Environmental Damage
Decision-Making Based on Incomplete Information	Data Protection Risks		Vandalism and Misconduct

Strategic Risks					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
INAPPROPRIATE LOCATION OF HOUSING STOCK AND LOW DEMAND					Executive Team
NO HOMELESSNESS IN THE AREA	4	2	1	Continuous evaluation and adherence to the regional strategy, classification of the housing stock based on condition and occupancy rate	
MISJUDGED DEMAND FOR NEW OR RENOVATED HOUSING PROJECTS	2	4	1	Active monitoring of the operating environment, data-driven management, acquisition of expertise	
OTHER MEASURES				Accurate market monitoring, dynamic response, development of regional partnerships, changes in the use of properties	

Strategic Risks					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
SUDDEN CHANGES IN THE OPERATING ENVIRONMENT					Board of Directors, Customer Unit, and Executive Management Team
Master tenants (JV partners) terminate master lease agreements	4	3	1	Acquiring new JV partners, leasing apartments directly, renewing the JV concept	
Tenants are left without the necessary housing support	4	2	1	Reallocating housing advisory services, monitoring and responding to transitional phases, redirecting resources and engaging in strategic advocacy	
Insufficient responsiveness to changes (e.g., developments in markets, technology, legislation, or customer needs)	3	2	2	Providing statements on legislative initiatives	
Changes in ARA's operations as of 1 March 2025	4	2	1	Re-evaluating and adapting state-supported operations	
Adverse changes in taxation (e.g., significant changes in VAT or property tax, corporate interest deduction rules, income tax)	2	4	3	Securing liquidity to cover potential new tax obligations	
CSRD requirements prove to be unreasonable	2	1	1	Utilizing available reliefs and acquiring specialized expertise	
Failure in the implementation of KENNO system	2	3	2	Allocating resources to support system implementation, setting clear requirements for the supplier	
Shift in the Foundation's strategic focus (loss of non-profit status)	2	2	1	Adhering to the strategy, ensuring good governance, continuing self-funded non-profit activities (research, employment promotion, networks, international cooperation)	
Other measures				Monitoring and reporting on impacts related to non-profit status, modeling risk scenarios, enhancing sustainability measures	

Strategic Risks					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
DECISION-MAKING IS BASED ON INCOMPLETE FACTS					Executive Team
Insufficient understanding of the operating environment	1	2	1	Active monitoring of the operating environment, acquisition of expertise	
Cognitive biases in decision-making (preconceptions, anchoring bias, group pressure)	2	2	1	Careful interpretation of information, acquisition of expertise, regular and continuous reporting of data and processes	
Insufficient or incorrect information about decision-making mechanisms	2	2	1	Staff training on decision-making mechanisms	
Lack of management-supporting information, due to non-functioning or incomplete operational management systems	3	3	2	Data validation, development of information systems, and reporting practices	
Other measures				Development of impact indicators and monitoring, implementation of indicators to support data-driven management	

OPERATIONAL RISKS					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
PROCUREMENT RISKS					Construction and Real Estate Units
Design errors in new construction and renovation projects	3	3	1	Utilization of references, allocation of resources for design	
Poorly timed or improperly scoped repairs	5	1	1	Improved internal communication in planning, refinement of repair scheduling between teams, alignment of damage and relocation repairs with long-term maintenance planning (PTS monitoring)	
Lack of supervision or poor quality of work performance	3	2	2	Appointed own site supervisor	
Supplier bankruptcy or insolvency	3	3	1	Ensuring partner reliability, system monitoring and control, real-time monitoring of supplier data	
Partner-induced risk	2	3	1	Quality assurance of property maintenance companies and contract management, management of joint arrangement agreements, strengthening cooperation between block-level actors	
Rising material costs	5	3	1	Optimization of loan management (repayments), reasonable rent adjustments, general cost-saving measures, project timing (postponements)	
Weakening financial discipline	5	3	1	Monitoring compliance with the procurement guidelines, emphasizing cost awareness, increasing financial literacy, and utilizing financial monitoring tools	
Other measures				Utilization of digital systems, assessment of cost impacts, comprehensive feedback practices, use of IoT sensors on construction sites (temperature, humidity, air quality), quality metrics, “Right First Time” mindset, long-term balance of repairs and costs, procurement practices, strengthening project management competence	

Operational Risks					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
HENKILÖSTÖRISKIT					Executive Team
Key person risk	2	2	1	Training commitment plan, substitute arrangements, paired working, avoiding shared travel	
Health and well-being (employee illnesses, accidents, burnout)	3	1	1	Annual review of the occupational health care agreement and action plan, occupational health surveys	
Work environment	1	1	1	Occupational safety program and annual occupational safety plan	
Work community dynamics (leadership, atmosphere, communication)	1	1	1	Work community vitality survey, Work community pulse survey	
Inappropriate behavior	3	1	1	Procedure for addressing inappropriate treatment, whistleblowing channel	
Competence (lack or obsolescence of professional skills)	1	1	1	Work community development plan, Y-Talk discussions, onboarding practices, early intervention model, leadership training	
Misconduct and damage (intentional or unintentional)	1	2	1	Guidelines, compliance monitoring, whistleblowing channel	
Values and actions diverge	1	1	1	Work culture development project	
Inconsistent customer service or leadership	2	1	1	Training, including customer service training and leadership coaching	
Other measures				Compensation frameworks, key talent identification, position risk review, absence monitoring, skills and competence mapping	

Operational Risks					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
DATA PRIVACY RISKS					Executive Team
Intentional or unintentional data breach	4	2	1	Prevention, training, immediate response, incident monitoring, access control policies and restrictions, access monitoring, closed work environments, secure remote work practices, enforced hardware and software security measures	
Vandalism or careless speech	2	1	1	Log monitoring, proactive measures, training, onboarding, continuous reminders, encryption of preparatory materials, whistleblowing channel	
Temporary unavailability of information systems	4	1	1	Proactive measures, continuous development of processes and systems	
System failure causes data loss	1	2	1	Backups duplicated, continuity plan	
Difficulty in deleting employee data	5	1	2	System development, definition of new data retention periods	
Cyber attack	1	3	1	Continuous improvement of protections and systems, validated processes	
Poor data protection standards of partners	2	3	1	Data protection levels are inquired, verified, and validated when necessary	
Other measures				Development of information security strategy, real-time threat monitoring, data lifecycle management, regular audits, personal data usage plans, comprehensive cybersecurity management, continuous training of IT personnel, recovery planning, evaluation of procured services, testing, data protection management	

Financial Risks					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
IMPACTS OF ECONOMIC CYCLES					Executive Team
Costs arising from rapid changes in interest rates	4	4	1	Interest rate risk management policy, interest rate hedging	
Cost increases due to inflation	4	3	1	Loan management policy (repayments), rent level, emphasis on cost-saving, project scheduling (postponement)	
INAPPROPRIATE LOCATION OF THE HOUSING STOCK AND WEAK DEMAND					
Incorrectly estimated demand for new construction or renovation projects	2	5	1	Active monitoring of the operating environment, data-driven management, acquisition of expertise	
Failure in the implementation of KENNO	2	5	2	Allocation of resources to support implementation, precise requirements for the supplier	
Low occupancy rate	2	3	1	Continuous evaluation and adherence to the regional strategy, classification of the housing stock by condition and occupancy rate, sales, demolition	
Other measures				Limiting to newly built units classified as affordable, defining and adhering to affordability criteria, targeted competitive pricing	
LAINSÄÄDÄNNÖN VAIKUTUKSET					
Changes in ARA's operations	4	1	1	Reevaluation and adaptation of state-subsidized operations	
Adverse changes in taxation (e.g., significant changes in VAT and property tax, corporate interest deduction limits, income tax)	2	1	1	Securing liquidity to cover potential new tax payments	

Hazard Risks					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
MAJOR PROPERTY DAMAGE OR PERSONAL INJURY					Real estate unit
Major property damage or personal injury	2	4	1	Full-value insurances, additional insurance coverage, residents' insurance protection, maintenance plans, updating crisis management skills, residents' home safety training	
Fire	5	2	1	Sprinkler systems in wooden apartment buildings and service homes, maintenance responsibility for smoke detectors	
Water damage	5	2	1	Monitoring equipment condition, awareness raising, rapid response	
Indoor air quality issues	3	2	1	Disposal of poorly maintained properties and apartments	
Accident	5	2	1	Monitoring of emergency access routes, quality assurance of winter maintenance	
Loss of property keys	5	2	1	Training on key management practices, ensuring competence	
Other measures				Resident-centered safety training	

Hazard Risks					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
DIRECT AND INDIRECT IMPACTS OF CLIMATE CHANGE AND ENVIRONMENTAL DAMAGES					Real estate unit
Structural deficiencies of the old building stock	2	2	1	Long-term maintenance plan (LMP), timely repair actions, facade maintenance, roof renovations, stormwater management, responsible demolition plans, climate risk assessment of properties	
Damage to properties caused by extreme weather events	2	2	1	Careful planning, sustainable green maintenance, benefits of the Leanheat system	
Adverse effects of extreme weather events on residential comfort (e.g., overheating of apartments)	2	2	1	Guiding residents in harm prevention and coping strategies, freeze protection systems in service homes	
Other measures				Climate strategy, utilization of technology, design of property yards, cooling solutions for new buildings, IoT solutions	

Hazard Risks					
Identified Risk	Probability (1–5)	Severity (1–5)	Risk Management level	Key Risk Management Measures	Responsibility
DAMAGE AND MISCONDUCT CAUSED BY EXTERNAL PARTIES					Executive Team
Damages in apartments and properties	2	3	1	Apartment, damage, and property insurances	
Misconduct	2	3	1	Ensuring cybersecurity, whistleblowing reporting channel, monitoring of subcontracting chains	
Impacts of inappropriate customer behavior on customer service	5	2	1	Staff training, workplace well-being practices	
Impacts of financial distress in housing companies on Y-Säätiö's share portfolio	1	1	1	Continuous review of the housing stock and divestment of apartments	
Other measures				Maintaining a reasonable level of customer service, disregarding unreasonable demands	

No material events have occurred after the end of the financial year.

Y-Säätiö

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