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THIS REPORT DESCRIBES

the essential events of 2023 and our CSR work from the perspectives of the themes within our Sustainability Programme - namely safety, the environment, our employees, our customers and the society.

Finnpilot's annual report for 2023 includes the annual review, a description of company's corporate governance and the Sustainability Report. Additionally, the financial statements and the annual review of the Board of Directors are published as separate PDF documents on our website.

finnpilot.fi/en

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FINNPILOT IN BRIEF

Pilotage ensures navigational safety and efficiency within Finland's rocky fairways. The added safety that pilotage provides within Finland's narrow archipelago fairways is pivotal in terms of preventing accidents. Pilotage is a vital part of the chain of logistics required for Finland's international trade and security of supply. Many essential goods are transported by sea and the passage of cargo must be assured, also in possible times of serious disturbances.

In Finland, pilotage services are the responsibility of the state-owned special assignment company Finnpilot Pilotage Ltd. Finnpilot provides pilotage services in accordance with Finland's Pilotage Act and assumes responsibility, as prescribed by the Pilotage Act, for other tasks and obligations related to pilotage within the coastal waters and Saimaa region in Finland The costs accrued by the organisation of pilotage activities and maintenance of the national service network are covered by charged pilotage fees. The provision of pilotage activities in the Saimaa region is governed by Finnpilot's obligation to provide financially unprofitable services.

The pilot is a vital local advisor to the shipmaster who provides navigational assistance to vessels sailing along the fairways and increasingly ensures the safe harbour manoeuvring of ships. Pilotage activities are continuously changing and developing along with significant advances in safety, training, equipment used for pilot transports and environmental issues. Successful steps forward have also been taken in terms of the development of remote pilotage over the past few years.



FROM A NAVIGATIONAL PERSPECTIVE, THE CONDITIONS OF THE FINNISH ARCHIPELAGO ARE AMONG THE MOST **CHALLENGING IN THE WORLD.** A pilot who is familiar with local conditions provides a shipmaster with invaluable assistance to guarantee safe fairway navigation. Our work protects the fragile Baltic Sea from the risks related to vessel traffic.

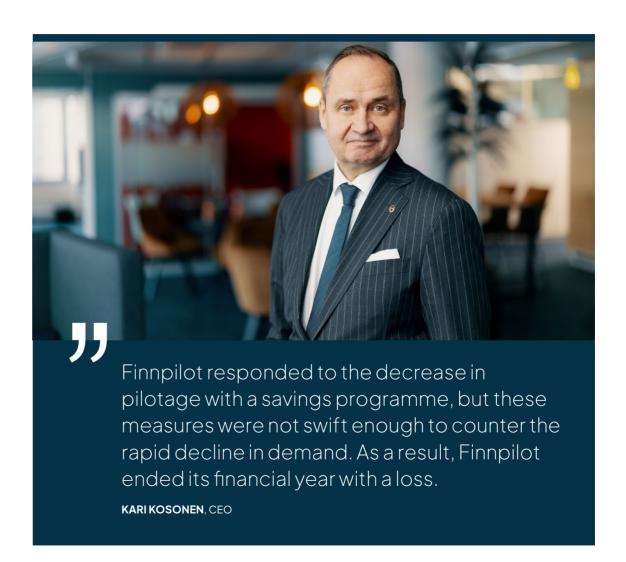


2023 was a difficult year

Finnpilot's year was coloured by the continuation of Russia's war on Ukraine and its impact on the number of pilotage assignments. Finland's decelerated economic growth was reflected in the lower volumes of vessel traffic and, correspondingly, in the decreased demand for pilotage services. Saint Petersburg no longer attracted cruise ships to the Gulf of Finland and transit traffic was minimal. The future outlook regarding trade and traffic involving Russia is understandably poor.

In early 2023, a stevedore strike lasting more than two weeks was carried out, thereby significantly weakening Finnpilot's finances. Following the strike, however, the pilotage volume continued quite normally until mid-year. The number of pilotage assignments during the period of June-December was, however, approximately 20% lower than the level of the previous year and, therefore, than had been budgeted.

Finnpilot responded to the decrease in pilotage assignments by initiating a savings programme focusing on savings in transport and personnel costs. Savings in fuel costs were achieved by reducing



driving speeds and combining pilot transports. The investment programme was adjusted to correspond to the current financial situation by postponing non-mandatory investments. During the autumn, we were forced to initiate change negotiations concerning the entire personnel. The aim of the negotiations was to adjust the number of employees to correspond with the new traffic situation. However, the structural adjustments could not be realised rapidly enough to correspond to the extreme drop in demand without risking our activities. Consequently, Finnpilot's results for 2023 ended with a financial loss.

In September, Finnpilot's Board of Directors decided to increase the pilotage fees for 2024 by eight per cent. The increase took into consideration the decrease in piloted traffic as well as the price increase of fuel and energy, the transition to renewable fuel, cost impacts of collective bargaining agreements, increases in employer fees, contractual increases and the impact of inflation.

Despite the weakened traffic developments, the year 2023 also brought some positive changes as well. The new Pilotage Act entered into force on 1 September 2023. We prepared for the entry into force of the new Act and, together with the key maritime authorities, met actively with our stakeholders all around Finland. At the meetings, we reviewed the significance of the legislative reforms from the perspectives of the different parties involved. In response to the provisions of the new Act, Finnpilot has produced training services related to pilotage qualifications for both its employees and customers. The Pilotage Act also made it possible for the company to offer deep-sea pilotage services within the Baltic Sea. At the end of the year, we prepared to carry out Finnpilot's first deep-sea



The commitment of our employees to the emission reduction targets has been exceptional.

pilotage services within the Baltic Sea, which we believe will grow in demand, particularly during harshicy winters. Based on a few months of experience, we can state that the new services have gotten off to a great start, even though they will need further development, also during the coming year.

We continued our active work to advance responsibility and sustainability, particularly as regards the development of our management model and increased reporting. Starting in 2025, Finnpilot will begin reporting as required by the EU Corporate Sustainability Reporting Directive (CSRD).

As part of the strategy update realised during the spring, we closely examined the impacts of the new Pilotage Act on our activities and factors related to the sustainability of pilotage services. For the strategy period of 2023–2027, we are focusing on ensuring the productivity of our core activities, the development of new services (examination-related services, deep-sea pilotage in the Baltic Sea, remote pilotage) and consideration for ESG aspects in all our activities.

We continued progressing towards our target to halve our overall emissions by 2030 (in comparison to the figures for 2021). The commitment of our employees to this target has been

exceptional. We launched environmental training for all current and new Finnpilot employees as part of their educational path. Two new, more environmentally-friendly ships were built during the year, and our older equipment received life cycle upgrades. Our own experts play a significant role in terms of shouldering responsibility for these projects. Our more economical driving methods, which were taken into use and embraced well during the open water season, brought monetary savings in addition to significantly decreasing emissions.

The past year was eventful and full of changes. Although we faced some hardships, we also learned a great deal. We have adapted to what we can only assume is the 'new normal', found creative solutions and strengthened our co-operation in order to find new, better ways of working. The year 2023 has shown that we have the power and capacity to respond to even the most difficult situations, as long as we meet those challenges together. Together we can also build a stronger, more sustainable tomorrow. I wish to thank our employees and stakeholders for being part of this journey.

KARI KOSONEN

CEO

Highlights from the year

ENFORCEMENT OF THE → NEW PILOTAGE ACT

During 2023, we focused on updating our processes and services to correspond to the demands of the new Pilotage Act. The new Pilotage Act entered into force on 1 September 2023 and introduced changes that promote maritime safety, such as changes to compulsory pilotage, pilot and PEC qualifications and parties that assess the examinations for these qualifications.

WETRAINED THOSE → ASSESSING PILOTAGE AND PEC EXAMINATIONS IN ALL PILOTAGE AREAS

The new Pilotage Act specifies the certificate requirements of a person assessing pilotage demonstrations and simulator tests as part of pilot and PEC examinations. The pilotage company must ensure that

it has a sufficient number of trained individuals for the provision of assessments of pilotage and PEC examinations. During 2023, we trained assessors for all of our pilotage areas.

SIGNIFICANT EMISSION → SAVINGS BY ALTERING **OUR DRIVING METHODS**

Our goal is to halve our overall emissions by 2030 (in comparison to the figures for 2021). By altering our driving methods, we significantly reduced fuel consumption and, thereby, costs during this financially challenging year. At the same time, we continued our work to develop more environmentally-friendly and energy-efficient equipment.

■ MORE EFFICIENT USE ↓ OF TRANSPORT RESOURCES

As a result of the change

negotiations at the beginning of September, the mobility of our pilot boat operators between pilot stations increased. More flexible mobility of permanent staff allowed us to reduce the use of substitutes for short-term resource needs. The new approach reduced the resources needed for transport activities by about 8% compared to the same period last year.

PRINCIPLES OF REPORTING AND GRI

WE DEVELOPED → FLECTRONIC PILOT. **ORDERING CHANNELS TOGETHER WITH PARTNERS**

The POLO - Port Activity App. a user interface for port digitalization and communication based on open ecosystem and open interfaces, was expanded with a pilot ordering function. By developing our electronic

ordering channels, we are preparing for the eventual introduction of the new Maritime Traffic Notification Service NEMO in 2025.

WE ESTABLISHED ↓ A NEW PII OTAGE AREA IN THE GULF OF **FINLAND**

The Kotka-Saimaa pilotage area and Hanko-Helsinki pilotage area were combined to form a single Gulf of Finland pilotage area as of 1 May 2023. The change was primarily a response to the near complete discontinuation of pilotage activities in the Saimaa region as a result of Russia's war on Ukraine. Following the change. Finnpilot now has three pilotage areas instead of the previous four: Gulf of Finland as well as Archipelago-Bothnian Sea and Bay of Bothnia.

OUR FINANCIAL → SITUATION LED TO THE INITIATION OF **CHANGE NEGOTIATIONS**

Due to the decline in piloted traffic, our negative financial trend deepened during the year. In October, we were forced to initiate change negotiations aimed at adapting our operations and improving profitability. The savings sought through the cost impacts are anticipated to total approximately 1.3 million euro during 2024.

■ WE ENHANCED OUR → PILOT DISPATCH SERVICES WITH A NEW **DISPATCH AREA DIVISION**

We updated the division of Finnpilot's pilot dispatch areas. We now have seven pilot dispatch areas instead of the earlier three. As a result of the reform, we will be able to serve our customers better and faster, as required by the area with the most traffic at any aiven time.

ADVANCE → INFORMATION **ABOUT POSSIBLE INTERRUPTIONS IN** THE PILOTAGE SERVICE: **OPERATIONAL STATUS** APP

The availability of pilotage services in Finland is good. Sometimes, however, we are forced to interrupt the services. The most common reason is the prevailing weather conditions. The internally developed Operational Status App enables a District Chief Pilot to send advance information about a possible interruption and an estimate of the duration as soon as the interruption appears likely due to weather forecasts. This allows our customers to plan their operations more efficiently.



Percentage of pilotage requests carried out within the limits for the waiting times specified in our service level objectives (maximum of three hours in coastal waters)

99.8%

IN 2023



Calculated market share of piloted traffic for all vessels visiting Finland's coastal harbours

36.3%

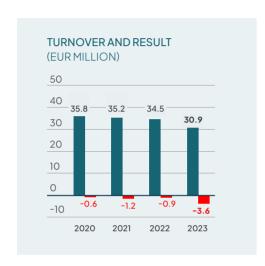


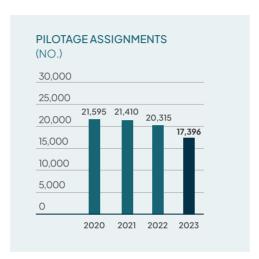
Average rating of Finnpilot's reputation according to the Reputation&Trust survey conducted by T-Media

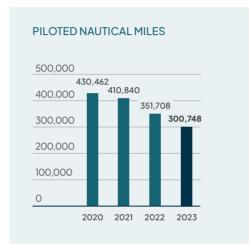
The average rating for customer experience: 4.26

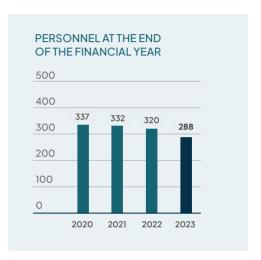
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ON A SCALE OF 1-5









KEY FINANCIAL FIGURES

	2020	2021	2022	2023
Number of pilotages	21,595	21,410	20,315	17,396
Piloted nautical miles	430,462	410,840	351,708	300,748
Turnover	35,830,972	35,215,811	34,487,297	30,906,445
Operating result	-635,270	-1,183,278	-945,155	-3,591,789
% of turnover	-1.8%	-3.4%	-2.7%	-11.6%
Profit/loss of the financial year	-422,540	-792,613	-736,222	-2,998,825
% of turnover	-1.2%	-2.3%	-2.1%	-9.7%
Return on equity %	-5.8%	-11.9%	-10.6%	-52.9%
Return on investment %	-5.7%	-11.9%	-10.5%	-41.6%
Solvency ratio %	63.0%	57.4%	57.3%	40.8%

	2020	2021	2022	2023
Net gearing	-32.8%	-36.4%	-26.7%	34.6%
Quick Ratio	0.8	0.7	0.6	0.4
Gross investment	2,369,690	2,068,886	1,603,495	2,628,656
% of turnover	6.6%	5.9%	4.6%	8.5%
Average number of personnel in person-years	333	325	307	290
Personnel at the end of the financial year	337	332	320	288
Wages, salaries and other short-term benefits	22,220,087	21,943,072	20,953,882	20,675,829

The calculation formulas for the key figures are presented in the notes to the financial statements.

THE OPERATIONAL ENVIRONMENT FOR PILOTAGE IN 2023 WAS AFFECTED BY, FOR EXAMPLE, THE FOLLOWING FACTORS:

THE BREAK IN RUSSIAN RELATIONS has significantly affected our pilotage services through the discontinuation of traffic through the Saimaa Canal and the overall reduction in cruise traffic. At the end of 2023, the negative financial development led to the initiation of change negotiations that affected the entire personnel.

THE SIGNIFICANCE OF ASSURING SECURITY OF SUPPLY AND THE CONTINUITY OF OUR OPERATIONS has become emphasised within the current security situation and demands more from our continuity planning and our abilities to maintain our state of readiness. We must also be able to respond effectively to possible cyber security threats.

FINANCIAL UNCERTAINTY AND UNPREDICTABILITY hamper the long-term planning of our operations with our current operational and pricing models. Due to changes in the logistics chains, the volume of vessel traffic arriving in Finnish ports is harder to predict than earlier. The situation challenges our limited short-term adaptability when traffic volumes are both decreasing and increasing. The importance of a shared situational picture between employees and management became emphasised. During 2023, we sought agility and flexibility by adjusting the number of employees and increasing the mobility of our employees. Savings were also sought by driving our vessels slower during unhurried assignments and by combining pilot transports more often than earlier.

THE IMPACTS OF THE NEW PILOTAGE ACT on our activities will be monitored closely. The changes introduced by legislation in terms of compulsory pilotage may lead to changes in the demand for pilotage services. At the same time, the volume of demand for new services (examination-related services, Baltic Sea pilotage) is difficult to predict.

PRINCIPLES OF REPORTING AND GRI

CLIMATE CHANGE MITIGATION AND THE INCREASED SIGNIFICANCE OF ENVIRONMENTAL VALUES challenge us to develop our operations to be more energy efficient and outline the path to reach our target for carbon neutrality. At the same time, the key role that pilotage plays in the protection of the Baltic Sea becomes more prominent. During 2023, we advanced the fuel-efficient use of vessels and life cycle investments for our equipment. Read more from the Environment chapter in the Responsibility section.

THE INCREASE IN EXPECTATIONS RELATED TO
RESPONSIBILITY requires us to continuously collect more extensive information and report on all aspects of responsibility, as well as to generate the resources to meet those expectations. In 2023, we prepared for the increasing reporting obligations introduced by the Corporate Sustainability Reporting Directive (CSRD) as concerns our activities from 2025 onwards.

THE IMPACTS OF THE AGEING OF THE POPULATION AND EMPLOYEES are reflected in our operations in the rise of the average age and work ability challenges. Long absences due to illness and increases in our insurance contribution categories affect

our operations and profitability. The importance of maintaining work ability is growing and we want to make sure that the health and work ability of our employees is retained through to retirement.

ACTIVE CUSTOMER AND STAKEHOLDER CO-OPERATION WERE EMPHASISED when the Pilotage Act amendments in 2023 brought changes to our service terms and conditions as well. At the same time, the efficiency requirements for our operations are continuously increasing. The significance of timely communications in terms of ensuring functioning pilotage services is tremendous. Mutual development and dialogue with customers and other stakeholders play an even more vital role in our operations.



Due to changes in the logistics chains, the volume of vessel traffic arriving in Finnish ports is harder to predict than earlier.

Strategic focal points for 2023-2027

PRINCIPLES OF REPORTING AND GRI

Finnpilot's strategic focal points correspond to identified factors within the operational environment and steer the development of our activities. Finnpilot's strategy was updated in spring 2023 on the basis of the strategy work carried out by management. Our strategic focal points:

- Productivity of our core business
- Growth from new services
- Ecological, social and financial sustainability

PRODUCTIVITY OF OUR CORE BUSINESS

During recent years, we have focused on gathering information about the different phases of the pilotage process in order to create better indicators for monitoring the productivity of our pilotage services. The utilisation of this comprehensive data will help to allocate resources optimally and steer our activities in a more efficient manner. The fluctuating and unpredictable demand for pilotage services challenges our resource planning under the current model. In the new strategy period, we will examine the possibility to enhance our capacity to predict future demand. This may include, for example, new, alternative pricing models or

the steering of demand through changes in the service terms and conditions. Ensuring safety is our primary concern when we are considering ways to improve productivity.

GROWTH FROM NEW SERVICES

The amended Pilotage Act, which entered into force in 2023, opened up opportunities for the company to expand its range of services. The Act obligates the pilotage company to offer services related to pilotage and PEC examinations, but also offers the possibility to offer deep-sea pilotage in the Baltic Sea. The development of remote pilotage through close collaboration

with Finnish and international networks will continue. In the future, we may also be able to offer new services or products derived from the extensive pilotage data collected from pilotage. The changes are guiding us to discuss the needs of our customers more intensely. We are surveying the possibilities to utilise our new services to reach entirely new customer segments. Our ability to continuously develop our own competence (through the initiation and establishment of the company's training system) and the assurance of the funding required for this development play key roles in this endeavour.

ECOLOGICAL, SOCIAL AND FINANCIAL SUSTAINABILITY

We will generate long-term value for our stakeholders and for society. We will develop our services and processes to correspond to the demands for responsibility and sustainability. We will ensure that sustainability is integrated in everything we do, from management processes to procurement chains and daily activities. Our goal is to minimise our environmental impact, represented by our carbon footprint and our consumption of natural resources. We will invest in the development of occupational safety for our employees and the maintenance of their work ability throughout their entire career. We will balance our finances to correspond to the changing operational environment and we will turn our operating result to a positive trend. We will ensure the necessary resources for the development of responsibility as well as open and transparent reporting.



Objective	Indicator	Achieved 2022	Target 2023	Achieved 2023
Prompt service	Realisation of service terms and conditions %	99.9	99.0	99.8
Customer satisfaction	Stakeholders' overall grade for reputation (1-5)	4.1	next survey in 2024	next survey in 2024
Internationally competitive pricing	International price comparison	0.74	< 0.74	0.74
Effective use of resources	Piloted nautical miles / person-workday	21.7	> 21	18.9
	Cost/pilotage (euros)	1,744	<1,660	1,983
	Transport cost / pilotage (euros)	853	< 800	956
Climate targets	Emissions Scope 1-3 (tCO ₂ e)	5,067	4,225	4,398
	CO ₂ -emissions/pilotage (tonnes CO ₂ e)	0.177	0.163	0.154
Occupational health and safety	Occupational accidents / year	8	< 4	4
	Accident frequency / one million working hours	15	< 5	8
Good profitability	Operating result %	-2.7	> 4	-11.6
	Operating margin %	4.6	>11	-3.4
	Return on investment %	-10.5	> 13	-41.6
Financial solidity	Eqyity ratio%	57.3	> 50	40.8
Good liquidity	Quickratio	0.6	> 0.8	0.4
Satisfied personnel	Result of work satisfaction survey (1-6)	4.6	4.7	4.1
Minimal absences	Absences as % of total working hours	6.7	< 5.0	4.3
Promotion of competence	Training days, person/year	1.3	≥ 1.6	2.0
	Simulation runs (days/pilot)	2.2	≥ 1.9	1.0

Annual report 2023 YEAR 2023 GOVERNANCE SUSTAINABILITY PRINCIPLES OF REPORTING AND GRI

Corporate governance

Finnpilot Pilotage Ltd is a special assignment company entirely owned by the State. The governance of State-owned companies is regulated by the State Holdings and Ownership Steering Act.

The most recent Government Resolution on the State Ownership Policy (8 April 2020), which guided our activities in 2023, states that, in managing its corporate assets, the State seeks to maximise overall social and financial benefits.



The governance of Finnpilot is based on the Limited Liability
Companies Act, and the company's operations are regulated by
the Pilotage Act and Pilotage Decree. The company's activities are
guided and supervised by the Government Ownership Steering
Department. Finnpilot's principles of corporate governance are
defined in the Corporate Governance Guidelines. The Guidelines
reflect the general norms of Corporate Governance, the Corporate
Governance Code of the Securities Market Association, the
Agenda for Improving the Corporate Governance of Unlisted
Companies published by the Finland Chamber of Commerce and
the ownership steering guidelines of the Prime Minister's Office.

The State as owner exercises its power of decision at annual general meetings. The annual general meeting decides on issues that are relevant by virtue of the Limited Liability Companies Act. The annual general meeting elects the chair and other members of the Board of Directors. The annual general meeting for 2023 was held on 21 March 2023.

During 2023, Finnpilot owned 60% of Ice Advisors Ltd, which provides maritime operators with ice navigation services. The related parties of Finnpilot include its subsidiary, the company's Board of Directors, the CEO and the Executive Committee. Finnpilot does not conduct business activities that depart from normal commercial conditions with any of its related parties.

BOARD OF DIRECTORS

PRINCIPLES OF REPORTING AND GRI

The Board of Directors oversees the administration of the company and the appropriate arrangement of the company's activities. In addition, the Board of Directors guides and supervises the company's activities, elects the CEO and top management, supervises the management and issues decisions on key matters in terms of the company's business activities.

The annual general meeting elects the chair and other members of the Board of Directors. The members of the Board shall have expertise in Finnpilot's field of activities, management or business economics, and they shall be independent in the manner required with regards to competition. The diversity and CSR performance of the Board are also taken into consideration when selecting members of the Board.

The Chair of the Board of Directors is the immediate supervisor of the CEO. During 2023, the Board comprised seven members from 1 January to 21 March 2023 and six members from 22 March to 31 December 2023. Of the Board members, two were personnel representatives (personnel representative and deputy personnel representative).

The Board of Directors has established committees to support its activities. The task of the committees is to prepare those matters assigned to them as support for the decisions of the Board. Finnpilot had two committees during 2023: the Personnel and Corporate Sustainability Committee and the Audit Committee. The members of the committees are listed in the annual review of the Board of Directors.

The Board of Directors and both committees met eight times during 2023. Five of the Board meetings were held in person and three as hybrid meetings. The committees' meetings were all conducted remotely. The attendance rate at the Board meetings was 100 per cent.

EXECUTIVE COMMITTEE

The Executive Committee bears responsibility for the impacts of our company's activities on society, the environment and the stakeholders. The Executive Committee assists the CEO in the implementation of operational tasks. The members of Finnpilot's Executive Committee include the Human Resources Director and Leading Legal Counsel, the Transport Director, the Pilotage Director and the Financial Director. The Communications Manager participates in the work of the Executive Committee. The Executive Committee convenes every two weeks.

The CEO heads and develops the activities of Finnpilot, oversees its daily administration and ensures that the accounting is carried out as prescribed by law and asset management is carried out in a trustworthy manner. The CEO oversees the execution of the decisions made by the Board of Directors and adheres to the instructions of the Board. The CEO reports on the activities of the company to the Board of Directors and is responsible for achieving the objectives set for the business activities in accordance with the principles set by the Board of Directors.

Board of Directors 31.12.2023



KIMMO MÄKI Chair of the Board

b. 1974, M. Sc. (Tech), EMBA Board member since 2022

Finavia Corporation, President and Chief Executive Officer 2018-

Port of Helsinki Ltd. CEO 2011-2017

Steveco Ltd, Senior Vice President 2006-2011

Stockmann Inc, Logistics Manager 2003-2006

Airport Council International (ACI), Board Member



PETRI PELTONEN

Member of the Board

b. 1962, Licentiate of Science (Technology) Board member since 2018

Ministry of Economic Affairs and Employment, Under-Secretary of State, 2016-

Ministry of Economic Affairs and Employment, Director General, 2008–2016

Ministry of Trade and Industry, Director General, 2007

Tekes, Executive Director, 1999-2006

Business Finland, Vice Chair of the Board of Directors

Finnish Climate Fund, Vice Chair of the Board of Directors

Finnish Innovation Fund Sitra, Board member



HILPPA RAUTPALO Member of the Board

b. 1974, LL.M. trained on the bench Board member since 2020

Lassila & Tikanoja, Director of Human Resources 2020-

Arctia Ltd, Senior Vice President for Human Resources and Legal Affairs 2018-2019

Unisport-Saltex Group, General Counsel and SVP for HR 2017-2018

Ekokem Ltd, General Counsel and SVP for HR 2013-2017

Metsä Group, Group Legal Counsel 2000-2007



MARIA TIAINEN

Member of the Board

b. 1981, M.Sc. (Econ.) and MBA Board member since 2023

Wärtsilä Energy, Director, Power Systems & Controls 2022-

Wärtsilä, several management level positions 2017–2022

WinGD AG, Head of Technology Department 2015-2017

•••••

Wärtsilä, several expert and management level positions 2011-2015

Tieto Oyj, multiple positions 2007-2011



KAJ HAHTONEN
Personnel representative

b. 1975, Pilot, Baltic Sea Pilot, Bachelor of Marine Technology (Master Mariner) Board member since 2019

Finnpilot Pilotage Ltd, Pilot 2011-

State Pilotage Enterprise Finnpilot/ Finnpilot Pilotage Ltd, Pilot 2007-2010

Neste Ltd / Fortum Oil & Gas Ltd / Neste Shipping Ltd / Aker Yards Ltd: various duties at sea (primarily deck officer), 1996–2007

European Maritime Pilots' Association, Vice president 2021-

Finnpilot Pilotage Ltd, safety representative 2012-

Finnish Maritime Pilots' Association, Board member and Vice-Chairman 2010-2021

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Suomen Laajakaistapalvelu Ltd and Netplaza Ltd, Board member 2008–2014



AKI SAARTIA Deputy personnel representative

b. 1975, Pilot Boat Operator Board member since 2017

Finnpilot Pilotage Ltd, Pilot Boat Operator 2011-

State Pilotage Enterprise Finnpilot, Pilot boat operator 2006–2010

Executive Committee 31.12.2023



KARIKOSONEN Chief Executive Officer

b. 1965, M.Sc. (Technology). Master Mariner **Executive Committee member** since 2010

Finnpilot Pilotage Ltd, CEO 2017-•••••

Finnpilot Pilotage Ltd. Pilotage Director 2011-2017

Finnish State Pilotage Enterprise Finnpilot, Pilotage Director 2010 •••••

Finnish Maritime Administration, Manager of VTS Centre, Senior Inspector, Division Manager, Deputy Director 1996-2010

Various duties at sea (primarily deck officer) 1987-1996

Ice Advisors Ltd. CEO 2014-2017

Ice Advisors Ltd. Chair of the Board 2017-2023 •••••



AKI MARJASVAARA Transport Director

b. 1978. Master of Engineering (Industrial Management), Master Mariner Executive Committee member since 2014

Finnpilot Pilotage Ltd, Transport Director 2014-

Port of Loviisa, Port Director 2008-2014

Port of HaminaKotka Ltd, Safety Inspector 2004-2005

Various duties at sea (primarily deck officer) 1999-2007



OLLINURMINEN

PRINCIPLES OF REPORTING AND GRI

Human Resources Director and Leading Legal Counsel

b. 1965, Master of Laws, LLM with Court Training, Law Executive Committee member since 2021

Finnpilot Pilotage Ltd, Director of Human Resources and Leading Legal Counsel 2021-

Service Sector Employers Palta, Labour Market Advisor, Negotiations Director 2012-2021

Union of Professional Engineers in Finland, Legal Counsel (energy sector), Supervisor for Legal Services 2010-2011

STUL - The Electrical Contractors' Association of Finland, Lawyer 2006-2009

Heinola District Court, Court Notary 2005-2006

Legal Office & Consulting LOC Oy, Lawyer 2003-2005

Numerous jobs in the banking sector as well as in sales and marketing positions



TIMO SIREN Financial Director

b. 1966 M.Sc. (Economics and Business Administration) Executive Committee member since 2012

Finnpilot Pilotage Ltd, Financial Director 2011-

Finnish State Pilotage Enterprise Finnpilot, Business Controller 2010

Tyco Electronics Finland Ltd, Nordic Finance Manager 1996-2010

Haka Autorent Ltd, Head of Administration 1993-1994

Ice Advisors Ltd. Board member 2012-2023



SANNA SONNINEN Pilotage Director

b. 1970, M.Sc. (Technology). Master Mariner, PhD Researcher Executive Committee member since 2017

Finnpilot Pilotage Ltd, Pilotage Director 2017-

Finnish Transport Safety Agency (Trafi), Head of Department, Director 2010-2017

Finnish Maritime Administration. Director, Development Manager, Senior Officer 2007-2009

..... VTT. Research Scientist 2001-2007

Finnish Maritime Administration, VTS Centre, Operator 2001

Neste Shipping, Finnlines, different duties at sea (primarily deck officer) 1990-2000

Ice Advisors Ltd, CEO 2018-2023

Remuneration

Remuneration is utilised to support and promote Finnpilot's strategic areas of focus. We endeavour to offer a competitive remuneration package to both the company's employees and its management. The aim of the remuneration system is to be fair and just and in proper relation to the attainment of goals and the financial result achieved by the company. Our remuneration activities and remuneration system comply with the policy put forth by the Ministerial Committee on Economic Policy as a decision-in-principle concerning the State's ownership policy (8 April 2020).

All of Finnpilot's personnel fall within the sphere of the remuneration system. The remuneration system is used to support the company's strategic objectives and to encourage the personnel to act in a manner that ensures the production of highquality, efficient and responsible navigational safety services.

The threshold conditions for the payment of remuneration are defined as the safety-related condition (no serious accidents) and the condition related to the economic indicator (EBITDA%). Partial criteria for remuneration include the responsibility objective (CO₂ emissions per mile driven by boat), the service level objective (realisation of service terms and conditions), the occupational safety objective (number of occupational accidents) and the financial objective (operating profit %).



PRINCIPLES OF REPORTING AND GRI

Paid salaries and fees in 2023

Board EUR 81.100 (2022: EUR 98.800) CEO EUR 194.763 (2022: EUR 189.344)

Other members of the Executive Committee EUR 479,694 (2022: EUR 452,722)

These figures include wages as well as the car and phone benefit of the CEO and the phone benefit granted to members of the Executive Committee.

The amount of the paid remuneration is based on the realisation of set financial and operational targets. Finnpilot has a personnel fund, whose members include all employees with the exception of the management and middle management. Once the remuneration criteria have been met, the payable remuneration is transferred to the personnel fund in accordance with the Act on Personnel Funds (Henkilöstörahastolaki 934/2010).

The management and middle management have their own remuneration systems, whose objectives are primarily the same as those for the personnel but, in addition, also include personal and unit-based objectives. IN 2023, the CEO and four unit directors in the Executive Committee fell within the scope of the remuneration system for management. Eight management-level employees fell within the scope of the remuneration system for middle management.

Finnpilot's Board of Directors confirms the specific objectives and structures of the remuneration system, which are valid for one year at a time.

Due to the challenging operational environment during 2023, the financial objective required as the threshold for payment was not met and, therefore, the remuneration systems did not generate remuneration for any of the personnel groups.

YEAR 2023

The purpose of Finnpilot's risk management is to identify risks that potentially threaten the achievement of our goals and to determine the measures necessary to manage them. At the same time, we assess the sufficiency of the measures and the company's risk-bearing capacity. Finnpilot's risk management is based on the company's risk management policy, internal supervision, good corporate governance and ongoing risk assessment.

Risk management is realised as an integral part of the standard management work and strategic planning. The aim is for Finnpilot's activities and services to be safe, for its business risks to be manageable and for its business activities to be responsible. Risktaking cannot fundamentally compromise the company's success or continuity of activities.

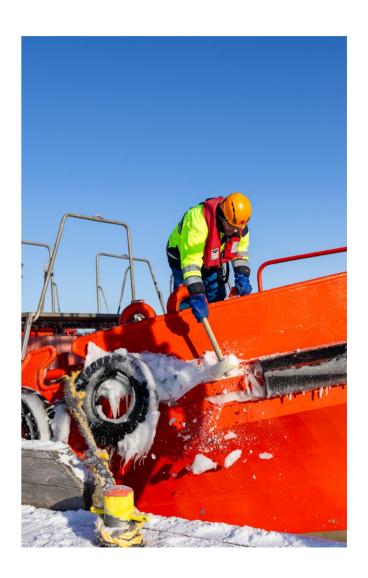
The goals, principles, organisation, responsibilities and operational methods regarding Finnpilot's risk management are described in the company's risk management policy. The policy is reviewed annually by the Executive Committee and approved by the Board of Directors. The risk management policy was most recently

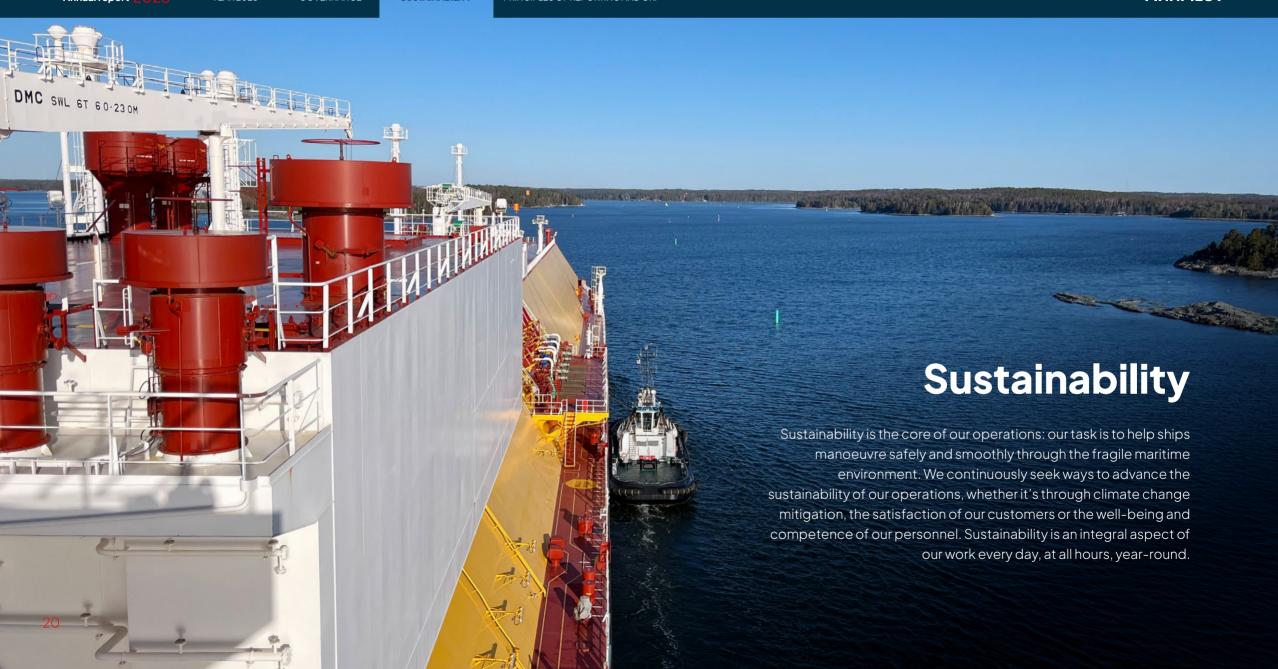
approved by Finnpilot's Board of Directors on 21 April 2022. The action error analysis and occupational safety risk assessments for pilotage are updated at least once each year and in connection with any possible near miss situations or accidents.

PRINCIPLES OF REPORTING AND GRI

The Executive Committee assesses the company's greatest risks, risk-bearing capacity and risk management methods in connection with the annual planning process.

A summary of the company's most significant risks is presented to Finnpilot's Board of Directors at least once each year.





Sustainability management at Finnpilot

As a state-owned special assignment company, our aim is to be a forerunner in responsibility and sustainability. For us, being a forerunner means the strong integration of sustainability factors into our strategy and remuneration, goal-oriented CSR management and the active clarification and monitoring of our ESG impacts. In this role, we also seek to challenge our subcontractors and other maritime operators to intensify their own responsibility and sustainability work.

Our operations are guided by Finnpilot's strategy, operating principles, recognised CSR guidelines and principles, as well as international agreements, declarations and recommendations. Through compliance with our values and ethical principles, every employee of Finnpilot can assure that they are working in a responsible and ethical manner. We have the use of an anonymous whistleblowing channel maintained by an external service provider for the purpose of enabling anyone to submit feedback concerning our activities or to report observations and violations.

Continuous development with consideration for aspects of responsibility and sustainability is part of our everyday activities. Our transparent operations and stable financial standing enable us to carry out our special assignment efficiently now and far into the future. We assess our operations critically using both internal and

external experts. Our quality and environmental management systems have been audited in accordance with ISO 9001, ISO 14001 and ETJ+ standards.

PRINCIPLES OF REPORTING AND GRI

Our responsibility and sustainability work is overseen by Finnpilot's Executive Committee in accordance with the Sustainability Programme compiled in 2021 and updated annually. The programme takes all the ESG dimensions (Environmental, Social, Governance) into consideration within Finnpilot's themes of sustainability: environment, employees, customers, society and safety, which is also a key component of the first four themes. We examined the appropriateness of our sustainability themes in spring 2023 in connection with the update of our materiality analysis. There was no need to update any of the umbrella themes. As part of our materiality consideration, we also reviewed the focal points of our sustainability themes, which serve as the foundation for our development work. The materiality analysis will be updated from a double materiality perspective in spring 2024 as part of our preparations for the reporting as required by the EU Corporate Sustainability Reporting Directive.

The content and realisation of our Sustainability Programme is reviewed regularly by the Executive Committee and the



YEAR 2023

From a sustainability perspective, our most significant negative impacts are caused by emissions from pilot transports and the energy consumption of our equipment and properties. We have set a target to halve the absolute amount of our overall emissions by 2030 (in comparison to 2021). The goals and indicators for our

environmental work are described in more detail in this report under the *Environment* theme.

PRINCIPLES OF REPORTING AND GRI

Identifying risks related to climate change and methods to manage them is part of our overall risk management work. Our equipment and properties are vulnerable to extreme weather phenomena, which can cause interruptions in our operations or other disturbances, such as threats to the functionality of mobile networks. Green energy transition causes direct and indirect changes in the price and availability of energy, which is particularly reflected in the increasing costs of pilot transports. Reducing the impacts of climate change involves regulation, which requires resources for more detailed measuring, monitoring and reporting of energy consumption and emissions.

sustainability requirements in a separate sustainability appendix. We expand upon our acquisitions in the **Society** section.

The development of our responsibility and sustainability work is a continuous process. We make sustainability-related decisions on the basis of the best information we currently have available. The choices we make today, for example, in taking environmentally-friendly technologies into use, may prove later on, as information increases, to be less effective than anticipated or even erroneous. Our Sustainability Programme evolves as information increases and changes.

During 2024, we will continue the parallel review of our strategy work and Sustainability Programme. The aim is to bind our sustainability work and goals even more closely to the company strategy by, for example, standardising indicators and objectives. We will also review the sustainability goals and indicators from a time perspective in connection with the strategy work. Our goal for 2024 is also to describe our sustainability management model more clearly and to establish an inclusive forum comprised of personnel representatives whose task it will be to plan and promote our sustainability measures through various methods.

In this section of the annual report, we report on our level of responsibility and sustainability in accordance with the themes of our Sustainability Programme. The framework of the Sustainability Programme is presented on the next page.



FINNPILOT'S SUSTAINABILITY PROGRAMME 2023-2025

We protect the fragile Baltic Sea from environmental damage.

PRINCIPLES OF REPORTING AND GRI

We ensure that the work of our employees is carried out safely.

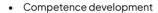
We ensure the safe passage of piloted vessels.

We quarantee smooth and uninterrupted maritime transports and the continuity of our operations in all conditions.





• Employee health and well-being



- Equality and non-discrimination
- Responsible corporate culture



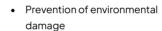




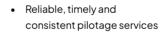


- Seamlessness of Finland's logistics chain
- · Services that meet the needs of society
- Security of supply in all conditions
- Profitable and sustainable business activities
- Responsible corporate citizenship and good governance





- Reduction of own emissions and increased energy efficiency
- Advancement of circular economy
- Consideration for biodiversity



- Best customer experience
- Active partnership and customer-directed service development















In addition to our own sustainability themes and focal points, we have determined the UN Sustainable Development Goals that we endeavour to advance through our activities.



Safety is our top priority

Safety is the basis of our activities and a key component of all our sustainability themes. We always examine the goals of our four other sustainability themes (environment, employees, customers, society) via safety. We take safety perspectives into account in all decision-making and assess our work methods with a risk-based approach. Through active observation, we support the building of an open and safe work culture.

In 2023, we worked on establishing the safety routines of the pilot stations. We highlighted near miss situations in our communications as a means of learning from them. We recounted successful solutions for building a safe work environment.

Our long-term work to ensure the safety of our pilot ladders will continue on the international level. Together with the Finnish Transport and Communications Agency Traficom, we contribute to the work of the Correspondence Group of the IMO's NCSR Sub-Committee, seeking to redefine the ladder regulations of the SOLAS agreement.

The task of defining the operational condition limits for pilot boarding positions, fairways and harbour areas was completed. Interruptions in the pilotage services are possible when the limits are exceeded, if the safety of a person, the environment or property is endangered in a harbour, fairway or the course of pilot embarkation or disembarkation. Jointly agreed condition limits facilitate internal operational predictability as well as the operational planning of our customers. The Operational Status app developed for the notification of interruptions in pilotage (generally caused by weather conditions) or other disturbance situations was taken into routine use within all pilotage areas and brought positive feedback from stakeholders.



THE FOCAL POINTS FOR SAFETY ARE INCLUDED IN OUR FOUR OTHER SUSTAINABILITY THEMES:

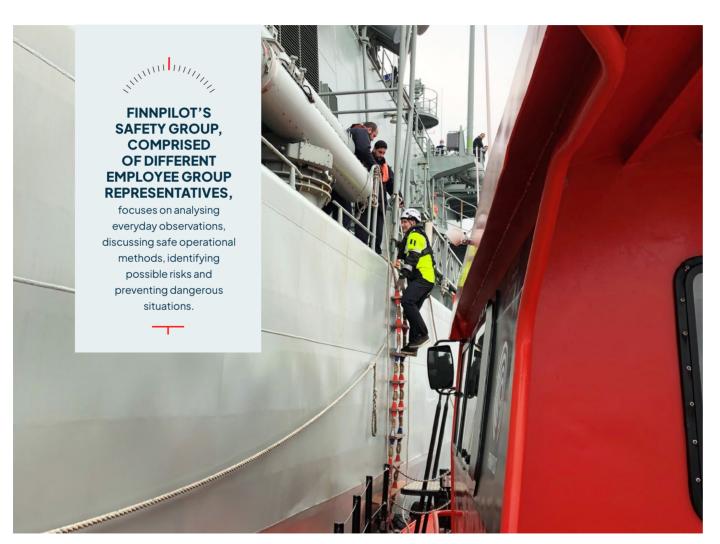
Environment We ensure that our activities help to protect the fragile Baltic Sea from environmental damage.

Employees: We ensure that the work of our employees is carried out safely.

Customers: We ensure the safe passage of our customers' vessels.

Society: We guarantee smooth and uninterrupted maritime transports in all conditions.

YEAR 2023



We classify incidents of different kinds and sizes in accordance with their type (accidents affecting employees/environment/property) and degree of severity (0 = no damage - 5 = catastrophic accident). The classifications are based on aspects of pilotage and transport operations, as well as on international and national guidelines and accident classifications.

No damage classified as serious accidents was sustained by employees, piloted vessels or our own fleet during 2023. Neither did any piloted vessels nor our own fleet cause any environmental damage classified as a serious accident.

Four occupational accidents occurred in the course of work tasks (2022: 8). Our goal is to achieve a zero incident rate by 2025. Improvements in the occupational safety culture continue through the effective handling of observations, training and regular communications.

The observations and efficient processing thereof help us to achieve concrete improvements in our operations.
In 2023, the number of

In 2023, the number of observations totalled

687

(2022: 681)



We undertake longterm work to ensure occupational safety. Our goal is to achieve a zero incident rate no later than 2025. We are members of the Nolla tapaturmaa (zero accidents) forum coordinated by the Finnish Institute of Occupational Health.

COMPLETED OR ESTABLISHED / **OUR KEY SAFETY GOALS** STILL EVOLVING / CROSS-CUT OUR OTHER SUSTAINABILITY THEMES SUCCESS IN 2023 IN THE EARLY STAGES 222 **ENVIRONMENT:** Neither piloted vessels nor our own fleet caused Our operations help to protect the fragile Baltic any environmental damage classified as a serious Sea from environmental damage. Neither piloted accident. vessels nor our own fleet do cause any environmental damage classified as a serious accident*. 222 EMPLOYEES: During 2023, our employees did not experience any incidents that could be classified as serious We ensure that the work of our employees is carried out safely. No incidents that could be accidents. There was a total of 9 accidents, of classified as serious accidents* are experienced which 4 were actual occupational accidents (minor accidents) and 5 were incidents requiring first aid. by our employees. 222 CUSTOMERS: Piloted vessels did not sustain any damage We ensure the safe passage of our customers' classified as a serious accident. During the year, vessels. Piloted vessels do not sustain any damage one accident classified as a minor accident classified as a serious accident.* occurred. 222 SOCIETY: We provided uninterrupted pilotage service every We guarantee smooth and uninterrupted maritime day of the year, with the exception of interruptions caused by weather conditions. No serious cyber transports in all conditions. security anomalies occurred within our activities. Pilotage service was provided according to our service terms in 99.8 % of all the pilotages.

^{*}Scale: catastrophic accident, very serious accident, serious accident, minor accident, incident, no accident

We ensure that our activities help to protect the fragile Baltic Sea from environmental damage

Pilotage protects the fragile Baltic Sea from the risks related to vessel traffic and environmental accidents. The organisation of pilotage activities also leaves its mark on the environment. We want to minimise our negative environmental impacts and do our part to mitigate climate change. Our target is to halve the absolute amount of our overall emissions by 2030 (in comparison to 2021). The coming years will challenge us, particularly in terms of the development of our equipment in a more environmentally-friendly direction.

WE SAFEGUARD THE FRAGILE NATURE OF THE BALTIC SEA

During 2023, we expanded and specified our emission calculations as we prepared to meet the requirements of the EU Corporate Sustainability Reporting Directive (CSRD). The CSRD will be applicable to our activities from the reporting year 2025 onwards. Our greatest challenges related to the calculation are currently the complexities of data collection. Our network of stations is broad and, for example, our waste disposal agreements have been local in many places. We have been forced to piece the data together

from multiple sources. Furthermore, we are still in the process of seeking a suitable system that ensures compliance with the CSRD reporting requirements. Our calculation method is continuously updated as we are able to supplement our data from different sources.

We regularly review the compliance of our activities with legislation and regulations in connection with our internal and external auditing. Our key acquisitions include environmental and energy-



FOCAL POINTS OF OUR SUSTAINABILITY PROGRAMME:

Prevention of environmental damage

Reduction of emissions and increased energy efficiency

Advancement of circular economy

Consideration for biodiversity

efficiency requirements as part of the technical standards and we communicate these to our suppliers already during the invitation to tender phase. Familiarisation with environmental issues is a core component of our job orientation process.

During 2023, we invested in communications and training related to environmental issues, as this was one area for development noted in the environmental auditing of the previous year. We launched an online environmental training programme that must be completed by all our existing and future employees. We ensured that environmental issues were a fixed item on the agenda for all local station meetings.

MOST SIGNIFICANT ENVIRONMENTAL IMPACTS & ENVIRONMENTAL CONCERNS OF OUR STAKEHOLDERS

We regularly address the environmental concerns of our stakeholders and update the assessment of environmental impacts caused by our activities. We assess our possibilities to affect both positive and negative impacts.

Pilotage has significant positive impacts on the environment. We ensure the safe passage of vessels through narrow archipelago fairways and actively report observations concerning vessel deficiencies and the environment. Relaying information to the authorities early on may, in the best case scenario, prevent greater damage to the environment and people.

In addition to minimising our environmental footprint, we consider ways in which we might, through our own activities, reduce the environmental impacts of our customers, thereby promoting responsible navigation. The deliberation concerning

AS PART OF OUR ENVIRONMENTAL IMPACT ASSESSMENT, WE HAVE ALSO EXTENSIVELY IDENTIFIED OUR STAKEHOLDERS' ENVIRONMENTAL VIEWPOINTS AND EXPECTATIONS FOR OUR OPERATIONS.

STAKEHOLDER	PERSPECTIVE			
LEGISLATOR AND OWNER	prevention of vessel accidents and related environmental impacts through pilotage			
OWNER	emission reduction and energy efficiency, environmental awareness in connection with procurement, environmental reporting			
PORTS	 prevention of vessel accidents and related environmental impacts in ports prevention of seabed erosion during the berthing process life cycle of quays and prevention of damage 			
SHIPPING COMPANIES	 prevention of vessel accidents and related environmenta smooth flow and energy efficiency of winter navigation 	limpacts		
USERS OF FINNISH WATERWAYS, SMALL VESSEL OWNERS, COASTAL RESIDENTS, FISHERMEN	Iimitation of wave height from piloted vessels and pilot boats prevention of fuel emissions prevention of excessive energy noise, sound absorption limitation of excessively large prop washes	prevention of the release of toxic paint into nature tretment to remove nutrients from archipelago property wastewater prevention of excessive water consumption		
RESCUE AUTHORITIES	 mutual assistance for the prevention and control of environmental environment	onmental accidents		
SOCIETY	 energy-efficient use of engines; climate change and air quality safe pilotage of damaged or possibly sinking vessel to a place of refuge emission class and condition of engines; air quality avoidance of ennecessary electricity consumption when warming pilot boat engines, external railings and pilot bridges; climate change 	energy efficiency of properties and lightning; climate change use of renewal energies for properties and vehicles waste sorting, limitation of waste amount, recycling, use of recovered materials		

our environmental handprint has only just begun, but it will be part of our future development work. As the joint management and exchange of information between maritime operators develops, we have the opportunity to ensure, for example, that piloted ships travel at an environmentally friendly speed, thereby reducing fuel consumption.

The most significant portion of our direct negative environmental

impacts is derived from the GHG emissions from our pilot boats. Of our overall emissions in 2023, the share caused by vessel fuel consumption totalled 58%. The electricity generation required to heat our transport equipment also places a burden on nature. However, our electricity consumption in 2023 was already 97.6% emission-free. We also increased our own electricity generation by building wind and solar power stations for our pilot stations.

PRINCIPLES OF REPORTING AND GRI



HARMAJA EXPANDED WITH A 3.6 KILOWATT PEAK SOLAR POWER PLANT

Following the expansion, the size of Harmaja's power plant is a total of 12 kWp and its theoretical yield is estimated at 80–100 per cent. The power expectation is approximately 9,600–12,000 kWh per year.

If realised, the power yield would cover about

of Harmaja's annual overall consumption.

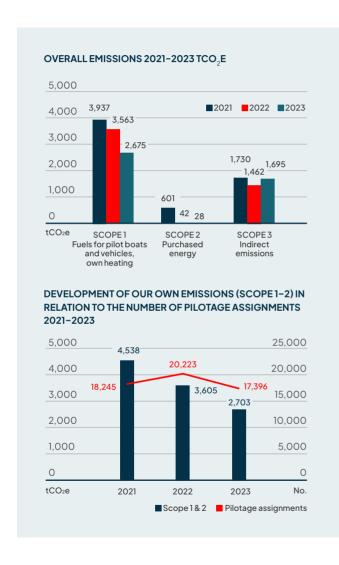
PROGRESSING TOWARDS EMISSION REDUCTION TARGETS

The International Maritime Organisation (IMO) has set multiple environmental targets to endeavour to reduce the environmental impacts of navigation in accordance with the Paris Agreement. The Finnish State requires its companies to take into account the target of a carbon neutral Finland by 2035 and the targets of the Paris Agreement, aimed at limiting global warming to 1.5 degrees Celsius.

According to the recommendations of the working group on fossil-free transport, as commissioned by the Ministry of Transport and Communications, our target is to halve the absolute amount of our overall emissions by 2030 (in comparison to the figures for 2021). The target encompasses Scope I (our direct GHG emissions), Scope 2 (GHG emissions from the generation of purchased energy for our own use) and Scope 3 (our indirect emissions, e.g., outsourced services) of the Greenhouse Gas Protocol. Another target is to halve the relative carbon dioxide emissions caused by the vessel fuel consumption of our pilot boats (tCO2 per pilotage assignment) by the year 2030. In order to get closer to the IMO reference level from 2008, we have set our reference level to that of 2013, which was the first year for which we have emissions data.

Our greatest challenge for emission reduction is related to the fuel solutions of our vessel fleet. Some of our fast pilot boats use renewable HVO biofuel as their energy source. It has turned out that the use of HVO slightly increases the relative fuel consumption (litre/pilotage assignment) of the pilot boats. Despite the relative increase in consumption, the total of our Scope 1 emissions has decreased since the introduction of HVO biofuel. During 2023, we expanded the use of HVO to the vessels we use at the Orrengrund

YEAR 2023



station. HVO was already in use at Emäsalo and Harmaia. HVO is not suitable for all engines in our fleet and its distribution area has been guite limited. However, the distribution area is expanding every year.

Although the annual reduction targets are motivating, our reduction of emissions may not necessarily advance annually as planned. The difference in the winter ice conditions from one year to the next, for example, has a strong impact on our fuel consumption. For the Scope 3 emission calculation, we utilised Hansel's Procurement Pulse tool, which provides increasing amounts of more detailed information. We also have not been able, for example, to assess the impact that building our own solar and wind units has on our overall emissions.



OUR OVERALL EMISSIONS IN 2023 TOTALLED 4.398 tCO2e

(2022: 5, 067 tCO₂e). Our fleet generated CO₂ emissions at a rate of 0.154 tCO₂ per pilotage assignment. The development of our overall emissions as well as the fuel consumption and CO₂ emissions of our fleet are shown on this page.



FUEL CONSUMPTION AND CO2 EMISSIONS OF PILOT BOAT FLEET (YEAR OF COMPARISON 2013)

	2013 (year of					
	comparison)	2019	2020	2021	2022	2023
Number of pilotages	21,919	22,716	18,589	18,245	20,223	17,396
Consumption (liters)	1,898,056	1,781,934	1,555,638	1,579,229	1,595,679	1,268,895
Consumption liters/pilotage	86.6	78.4	83.7	86.6	78.9	72.9
CO ₂ e emissions in total (tCO ₂ e)	4,502	4,162,	3,632	3,777,	3,575	2,675
CO ₂ e emissions / pilotage (tCO ₂ e)	0.205	0.183	0.195	0.207	0.177	0.154
Change in CO₂e emissions compared with previous year		-4.1%	6.6%	5.9%	-14.6%	-13.0%
Change in CO₂e emissions compared with 2013		-10.8%	-4.9%	0.8%	-13.9%	-25.1%

Due to the end of pilotage in the Saimaa region, the pilotage assignments in Saimaa and related fuel consumed have also been removed from the figures for the years 2013-2022 for comparison sake.

Statistics Finland's Fuel Classification 2023 was used as the basis for the CO2e emissions calculation. DEFRA2023 data was used as the conversion factor. For HVO biofuel, the emission factor was calculated based on the assumption that the HVO used would reduce the CO2e emissions by 90%. The calculations include the consumption of all boats, cars and hydrocopters. The fuel consumption and CO2e emission figures are calculated based on the annual fuel deliveries and kilometres driven by the company's vehicles. Changes in the bunker supply have been taken into account in the fuel consumption figures. CO2 equivalent has been taken into account from 2021 onwards. The emission figures from different years are not entirely comparable, since they are affected by fluctuations in weather and winter conditions as well as the varying service needs of the different fairways.

EVERY PERCENTAGE POINT IS A STEP TOWARDS OUR TARGET

We are constantly seeking out more energy-efficient alternatives for our current pilot transport fleet. At the same time as we are actively collaborating with vessel technology suppliers to find more energy-efficient solutions, we are slowly proceeding, one per cent or a tenth of a per cent at a time, towards the target of halving our emissions by 2030. Every reduction we achieve is a vital step to reaching our overall target.

Our interseasonal pilot boat L250, which was completed in 2023 and runs in open water and light ice conditions, is more

efficient than its predecessors in terms of energy-efficiency. The new boat will be taken into active use in spring 2024, once the coldest part of the winter has passed. The travel speed of the new boat is approximately 36% more economical than the current interseasonal boat used at Emäsalo. With the busy operating profile of the Emäsalo station, changing the boat will save about 28,000 litres of fuel per year, which represents a reduction of about 1.1% of the total company's carbon footprint (Scope 1–3) and savings of about 70 tonnes of CO_2 each year. It is a small but important step for the company.

SAVINGS THROUGH COLLABORATION

PRINCIPLES OF REPORTING AND GRI

The year 2023 was a financially challenging year for Finnpilot and

the situation weakened further towards the summer. According to the instructions issued at the end of May, the driving speed of our boats needed to be dropped exceptionally low in order to achieve any cost and emissions savings. A slower driving speed means that pilot transport boats must leave earlier for their destination. Our shared target was received well, however, with all our employees doing their part to ensure savings during the open water season. The moderate driving speeds enabled us to save about 47,000 litres of fuel oil already from June to August in comparison to the corresponding period of the previous year. This amount corresponds to about 118 tonnes of carbon dioxide emissions.

FUEL CONSUMPTION OF THE L250 PILOT BOAT AT DIFFERENT SPEEDS IN COMPARISON TO THE EARLIER BOAT IN USE AT EMÄSALO

fuel consumption (litre/nautical mile)



FUEL CONSUMPTION PER PILOTAGE ASSIGNMENT DURING OPEN WATER SEASON 2022 AND 2023

consumption (litres/pilotage)





WASTE AND WATER

Our waste management services have primarily been arranged locally at our pilot stations located around Finland. Some of the stations are located in difficult places in terms of logistics, such as islands and at the end of long archipelago roads. Waste sorting has been arranged at those stations where it is possible to do so as part of the service provided by local waste operators. During 2023, we continued to work on standardising our waste management agreements and to develop the calculation of waste amounts at all stations throughout Finland.

We advanced the monitoring of water consumption. In 2023, we received data from a total of 16 pilot stations and substations (2022: 10). The total water consumption at all these operational locations was 1,761 m3 (2022: 2,144 m3). The reduction in consumption is largely explained by the decreased in traffic.

A total of 13,310 litres of collected bilge water was reported by the stations. A total of 12,880 litres of waste oil were reported. A total of 2,308 kg of solid oil waste was accumulated. Altogether 21 batteries were turned in for recycling.

BIODIVERSITY

The use of pilot boats has immediate impacts on the environment, particularly in the form of waves and propeller wash. The negative impacts include, for example, coastal erosion caused by mechanical weathering and resulting changes in the vegetation and microorganisms of the coastal zone as well as in the fish populations in and around the fairways. Propeller wash can also disturb seawater stratification, particularly in the summer, when the mixing effect can bring the nutrient-rich bottom water up to the surface. This phenomenon contributes to the growth of algae.

Our boats also produce noise, which may have a negative effect on nature, animals and people in close proximity to the fairways.

PRINCIPLES OF REPORTING AND GRI

We are able to reduce the damage caused by wave formation and propeller wash as well as the negative impacts of noise by taking these issues into consideration in the hull design of our boats and by observing the mandatory speed limits set for the areas in which we travel. Travelling strictly in designated fairways, as far as possible, also helps to minimise the impact of waves and propeller wash.

WE DEVELOPED THE MONITORING OF OUR FLEET MAINTENANCE

by creating station-specific dashboards in the Intranet that contained all essential information concerning boat maintenance. These dashboards will facilitate the work of those responsible for the maintenance of our vessels. They offer the possibility to monitor, among other aspects, the situation concerning unresolved faults, the number of hours of use left until the next maintenance service and the time remaining until the next inspection.

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The paints used to protect the bottom of the pilot boats dissolve and chip off in the waterways due to wear and tear. We work in close co-operation with paint manufacturers when testing more environmentally-friendly boat bottom paints. During 2023, we conducted multiple paint tests in order to find a suitable pollutant-free solution for both winter and summer conditions.

2023: NEW VESSELS AND LIFE CYCLE EXTENSIONS

In the coming years, our emission reduction targets will call for significant investments in low-emission technology. As part of our investment programme, we are planning equipment investments that will facilitate a reduction in the emission intensity of pilot transports. The carbon footprint of the fleet increases relatively over time, which emphasises the importance of long-term planning. Equipment investments are made at a constant rate so that the aging of the vessels that are in heavy use would not result in a cumulative need for repairs and renewals.

We endeavour to recycle our aging pilot boats. During 2023, two fast pilot boats with aluminium hulls were sold to new owners. By recycling the lesser used boats, we are able to focus our maintenance work on boats in active use.

Our new, interseasonal boats are also able to operate in thin ice. During mild winters, this may reduce the need for boats intended for winter conditions at those stations around which the sea freezes less frequently. Our greatest equipment investments currently focus on the building of new, more environmentally-friendly fast pilot boats. Two new interseasonal boats were completed in 2023. The boat model has proven through use to be extremely seaworthy with low consumption.

The focus for pilot cutters has been on life cycle extensions. The intention is for the remaining technical lifetime of existing hulls and powertrains to be utilised as efficiently as possible. The success of the life cycle extension projects on the super cutters that have been in use for more than 20 years is essential to the service reliability of pilotage during the winter season.

From the highlighted case below, you can read more about how the successful life cycle extension project on our L133 pilot

cutter was implemented through the smooth co-operation of the shipyard and our supervisors.

SLOWER DRIVING SPEEDS BROUGHT SIGNIFICANT EMISSIONS SAVINGS

PRINCIPLES OF REPORTING AND GRI

In 2023, we paid particular attention to adopting a more economical and environmentally-friendly driving method for our pilot boats. Driving slower, when it is possible, affects both our CO_2 emissions and fuel costs. We reduced our overall driving

speeds to an economical level (18–20 knots) and we endeavoured to drive at 8–9 knots whenever it was possible without risking a functional work pace and rest periods. We combined pilot transports whenever possible as long as we were able to maintain our service times and we avoided excessive transports to our island stations. Our employees committed wonderfully to our shared goals and there was a clear change in the driving patterns during the open water season, which resulted in savings in emissions and euros.

LIFE CYCLE EXTENSION OF A PILOT CUTTER: A DEMANDING BUT REWARDING PROJECT

Finnpilot focuses its biggest equipment investments on the building of new, more environmentally-friendly fast pilot boats. The current projects focus on building interseasonal boats and the next plan is for a clearly lower-emission large and fast boat type. For our existing pilot cutters, the focus is on life cycle extensions with the intention of utilising the remaining technical lifetime of existing hulls and powertrains as efficiently as possible. The success of the life cycle extension projects on the pilot cutters that have been in use for more than 20 years is essential to the service reliability of pilotage during the winter season.

Pietro Ryynänen, Chief Pilot Boat Operator at the Kotka pilot station, and Kai Lavikka, Finnpilot's Fleet Manager, alongside the L133 pilot cutter at Kewatec shipyard.



ELEMENTS OF OUR EMISSION REDUCTION PATH

The following methods, among others, help us to reach our emission reduction targets:

- Investments in new vessels (possibly the use of, e.g., electric/hybrid vessels)
- More eco-friendly energy sources (increased use of, e.g., HVO biofuel)
- Transition to 100% emission-free electricity
- Investments in more energy-efficient and environmentally-friendly technologies
- Gradual transition to carbon-neutral outsourced services
- Transition to exclusive use of electric cars
- Development of transport planning
- Efforts to promote more energy-efficient driving behaviours

Number of vehicles and properties





ice-strenghtened pilot cutters (2022:30)



PRINCIPLES OF REPORTING AND GRI

hydrocopters



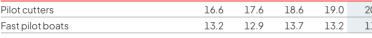


pilot stations



substations

AVERAGE AGE OF THE FLEET (YEARS)	2019	2020	2021	2022	2023
Pilot cutters	16.6	17.6	18.6	19.0	20.0
Fast pilot boats	13.2	12.9	13.7	13.2	11.9



The average age of our fleet is 16.4 years.



We operate using ice-strengthened pilot cutters, aluminium fast pilot boats, hydrocopters that travel over the ice, and cars. Our station network is comprised of continuously manned pilot stations and substations that do not have permanent personnel.



Finnpilot's pilotage areas and station network are presented on our website.



ALL OPERATIONAL LOCATIONS OF FINNPILOT HAVE BEEN GRANTED ISO 14001 AND ETJ+ CERTIFICATION

Our environmental and energy efficiency development programme extends to all of Finnpilot's activities, including pilotage and transport activities, our property management as well as the company's administration. During 2023, we conducted three internal environmental audits: administration. Hanko

and Utö. The necessary reports concerning any observed deficiencies were drawn up and corrective measures implemented. The most significant areas for development that arose from our internal environmental auditing are documented as goals for Finnpilot's Sustainability Programme.

ENVIRONMENT-RELATED GOALS

PROGRESS IN 2023

PRINCIPLES OF REPORTING AND GRI

COMPLETED OR ESTABLISHED / STILL EVOLVING / IN THE EARLY STAGES

KEY SAFETY GOAL: Our operations will help protect the fragile Baltic Sea from environmental damage. Neither piloted vessels nor our own fleet will cause any environmental damage classified as a serious accident*.	Neither piloted vessels nor our own fleet caused any environmental damage classified as a serious accident*.	***
We will develop an economical and environmentally-friendly way of driving our vessels.	We paid special attention to driving speeds, particularly in the open water season. We achieved significant cost and emissions savings. Our employees' awareness of the impacts on driving speeds on costs increased considerably.	***
We will test more eco-friendly antifouling paint solutions on boat bottoms.	We carried out our first test during the winter season of 2023. The first boat will be painted with the selected silicate paint during the 2024 driving season.	***
We will increase the use of renewable fuel (HVO) in our boats.	A total of 16.7% of all fuel consumption was from HVO (2022: 13.4%). HVO is now in use at three stations: Orrengrund, Emäsalo and Harmaja (2022: 2 stations).	***
We will increase the share of purchased electricity that is certified as carbon neutral.	The share of consumption represented by certified carbon neutral electricity was increased and 47/52 of our electricity consumption sites now use certified emission-free electricity. At sites that we rent or similar, this goal may not necessarily be possible.	***
We will organise environmental training in ISO 14001 and ETJ+ for our entire personnel.	We educated selected trainers and then our entire personnel completed the environmental training. This training will be mandatory for all future employees.	***
Through our equipment management system, we will collect data on the electricity consumption of all our stations.	We are currently receiving data on electricity consumption from all stations and the consumption can be monitored from the visual dashboards in the Intranet. We have improved our ability to identify possible deviations and areas for development.	***
We will systematically delegate responsibility for audit deviations in internal environmental audits as soon as they arise and we will monitor the relationship between open and closed deviations as a company.	Established as a method of operation through the development of observation reporting.	***
We will avoid unnecessary rail, engine and bridge heating.	The practices have been standardised. The solutions differ slightly between vessels. Remote control possibilities were realised as part of life cycle extensions and new buildings. The importance of the issue was reiterated, especially at the beginning of the winter season. According to our assessment, the avoidance of unnecessary heating has become an established method of operation.	***

^{*}Scale: catastrophic accident, very serious accident, serious accident, minor accident, incident, no accident

ENVIRONMENT-RELATED GOALS	1 KO OKESO II 2023	PLETED OR ESTABLISHED / NG / IN THE EARLY STAGES
We will inspect collection sumps throughout our entire station network and renew them if necessary.	Collection sumps were acquired for several stations when deficiencies were noted in daily work and documented as part of auditing. A collective overall inspection has not been done.	***
We will install spill-proof fuelling systems at the Pori, Hanko and Porkkala stations.	The systems were installed at Hanko and Porkkala, but Pori was postponed.	***
We will investigate the problems encountered in the production of our current wind power units (Hanko, Emäsalo) and increase our own production of wind and solar power.	At the moment, the wind power units are not producing as expected. The measurements and analysis were conducted by a contractual partner. Development will continue in order to achieve a stable production level. Harmaja was expanded with a 3.6 kilowatt peak solar power plant.	***
We will advance the monitoring of water consumption.	We currently receive water consumption data from 16/26 stations (2022: 10). The development will continue.	***
We will investigate our impacts on biodiversity.	Initiations have been made, such as boat antifouling paint testing and compliance with a more economical travel speed. Our resources have not yet been sufficient, for example, to prepare a biodiversity roadmap.	*&&
We will ensure competence in utilising the Power Apps-based chemical catalogue at the stations and arrange any necessary training.	Our employees found the use of the Power Apps-based chemical catalogue to be difficult. We are seeking a new solution that would be the simplest for our personnel to maintain. The importance of an updated chemical catalogue was reiterated.	*&&
We will ensure fire protection and an appropriate fire load in the chemical storage facilities of the stations.	Stations have increased the separation of alkaline and acidic substances on storage shelves, but no overall survey concerning fire protection or fire load has been conducted. To be implemented in 2024.	*&&
We will exercise competition bidding and standardise our waste management services (incl. hazardous waste, recycling and sorting possibilities) nationally.	Our waste management services have primarily been organised locally. Some of the stations are located in difficu places in terms of logistics, such as islands and at the end of long archipelago roads. Waste sorting has been arranged at those stations where it is possible to do so as part of the service provided by local waste operators. W continued to work on standardising our waste management agreements and to develop the calculation of waste amounts at all stations throughout Finland. No competitive bidding was carried out. The monitoring of hazardous waste amounts was developed, but the work continues.	€ 0000



We ensure that the work of our employees is carried out safely

Finnpilot provides society and our customers with high-quality expert services that advance maritime safety. The strong professional competence of our employees guarantees safe and efficient pilotage. We offer meaningful work with opportunities for development, and we foster long employment relationships. We want Finnpilot to be a great place to work.

THE YEAR CHALLENGED THE COPING AND MANAGEMENT OF OUR EMPLOYEES

The year 2023 was the fourth consecutive year that was unprofitable for Finnpilot. Russia continued its war against Ukraine, inflation kept rising, cruise ships gave Finland's harbours a miss, traffic did not return to the Saimaa region and Finland's foreign trade continued to decelerate. The number of pilotage assignments fell month after month behind the figures of the previous year as well as the budget. During the year, savings were sought from, among other areas, efficient transport solutions and the reduction of pilot boat driving speeds. Non-mandatory investments were also postponed. We endeavoured to minimise the impacts on our employees, but as the situation continued to

be bleak, we could not avoid difficult decisions. Personnel costs account for a significant share of the company's expenses, so in our struggle to find solutions to restore the profitability of our operations, it was inevitable that this area would also be affected.

PRINCIPLES OF REPORTING AND GRI

In the end, Finnpilot was forced to initiate several rounds of change negotiations in accordance with the Act on Co-operation within Undertakings (334/2007). The aim of the negotiations was to increase our operational efficiency as a means of improving the profitability of the company. The negotiations concerned both the reorganisation of work and methods to achieve financial savings. The negotiations initiated in autumn 2023 concerned the entire personnel, which, by then, totaled 294 employees.



FOCAL POINTS OF OUR SUSTAINABILITY PROGRAMME:

Occupational health and safety

Work ability and well-being at work for our employees

Competence development

Responsible corporate culture

OUR SUCCESSES IN 2023:



As a result of the change negotiations, Finnpilot indefinitely laid off or dismissed two employees. Additionally, temporary lay-offs for a fixed period will be realised as a means of saving a total of 17.5 person-years during 2024.

PRINCIPLES OF REPORTING AND GRI

Despite the difficult situation, solutions were reached through the change negotiations largely due to smooth co-operation with our employees. The communications and discussions were frequent and constructive throughout the negotiations. Our goal was to offer support for those remaining in their positions as well as for those who were laid off and dismissed. We promoted the re-employment of the dismissed workers by providing guidance on career opportunities and job-seeking in co-operation with the TE Office and an expert company providing employment services. We worked closely with our occupational health provider to ensure that everyone had the support they needed to process the experiences brought about by this situation.

RESULTS OF THE PERSONNEL SURVEY: MORE JOINT DISCUSSIONS AND UNDERSTANDING

We survey well-being at work, work satisfaction and other work-related factors through annually conducted personnel surveys. The results and their development are compared to earlier years and, more broadly, with the results of other organisations. The results are discussed and further measures planned out within the different functions and pilotage areas, together with our employees.

The long period of uncertainties and concern were reflected in the results of the 2023 survey. The response rate increased, which was a positive outcome that signalled the employees' desire to make a difference. The response rate was 75.8, whereas the

corresponding figure for the 2022 survey was under 73 per cent. The overall rating for the employer was 4.1 on a scale of 1–6 (2022: 4.6). The service provider Eezy Flow surveyed the organisation's performance using their People Power index. Our result was 65.7, which fell slightly below the Finnish general norm of 69.3.

On the basis of the survey, our clearest strengths include aspects related to work motivation and working conditions. The work is viewed as being interesting and meaningful and the work equipment as appropriate for the most part. Commitment to the employer was on a high level and the majority of respondents believe that they will still be working for Finnpilot in a year. All of the ratings for the aforementioned aspects exceed the general norms in Finland. The efficiency and flexibility of our operations were also viewed as being better than in Finnish companies in general.

On the basis of the survey results, our employees wish for even more communications regarding the need for changes and related planned implementation methods. They also expressed the desire for more feedback. To ensure more effective communication of the common situational picture, we decided to set up a new, company-wide regular forum. Starting in January 2024, we gather once a month in Teams to discuss current topics. The sessions are recorded so that those who are not working during that week will be able to watch them later on. The sessions will be produced by the pilot stations, as far as possible, and the aim is to get as many employees as possible involved in the creation of the content. The hope is that the topics will stem from the interests and concerns of our employees.

The personnel survey also asked questions related to responsibility and sustainability. It was wonderful to see that 97% of the respondents feel that they know what responsibility means in terms of their work. According to the results, 93% know how to report any violation or misconduct they experience or observe.

INFORMATION ABOUT THE PERSONNEL AND EMPLOYMENT RELATIONSHIPS

WORK SATISFACTION OF PERSONNEL AND SURVEY RESPONSE RATE

	2019	2020	2021	2022	2023
Response rate	81%	85%	78%	72%	76%
Overall rating for the					
employer	4.6	4.7	4.6	4.6	4.1

NO. OF PERSONNEL BY FUNCTION

	2019	2020	2021	2022	2023
Pilots (incl. district managers)	151	147	140	131	120
Pilot boat operators	145	143	145	142	122
Pilot Order Centre	21	21	21	22	19
Hostesses and houskeepers	6	5	5	6	4
Administration	23	21	21	21	23
Total	346	337	332	320	288
Mean person-workyears during the year in review	336	333	325	299	290

NO. OF OPERATIONAL PERSONNEL BY AREA*

PRINCIPLES OF REPORTING AND GRI

	2019	2020	2021	2022	2023
Bay of Bothnia	63	62	60	70	55
Archipelago Sea-Bothnian Sea	89	94	74	80	65
Gulf of Finland	150	139	156	127	126
Total	302	295	290	277	246

*The numbers of Hanko-Helsinki and Kotka-Saimaa have been combined as the number of Gulf of Finland in 2023

TYPE OF EMPLOYMENT, PERMANENT/FIXED-TERM

	2019	2020	2021	2022	2023
Permanent	322	315	308	291	275
Fixed-term	24	22	24	29	13
Total	346	337	332	320	288

NATURE OF EMPLOYMENT, FULL-TIME/PART-TIME

	2019	2020	2021	2022	2023
Full-time	340	328	322	306	278
Part-time	6	9	10	14	10
Total	346	337	332	320	288

PERSONNEL DISTRIBUTION, MALE/FEMALE

	2019	2020	2021	2022	2023
Male	313	307	304	291	266
Female	33	30	28	29	22
Total	346	337	332	320	288

BOARD OF DIRECTORS (INCL. PERSONNEL REPRESENTATIVE AND DEPUTY PERSONNEL REPRESENTATIVE), MALE/FEMALE

	2019	2020	2021	2022	2023
Male	4	4	4	5	4
Female	3	3	3	2	2
Total	7	7	7	7	6

EXECUTIVE COMMITTEE, MALE/FEMALE

	2019	2020	2021	2022	2023
Male	3	3	4	4	4
Female	2	2	1	1	1
Total	5	5	5	5	5

AVERAGE AGE OF PERSONNEL BY FUNCTION AT THE END OF THE YEAR

2019	2020	2021	2022	2023
51.7	52.2	52.1	52.4	52.7
50.1	51.5	50.5	50.3	52.3
42.5	42.0	43.0	44.4	46.0
60.0	60.0	60.4	63.5	58.8
48.9	49.9	51.0	52.0	50.1
50.5	51.0	51.0	51.4	51.9
	51.7 50.1 42.5 60.0 48.9	51.7 52.2 50.1 51.5 42.5 42.0 60.0 60.0 48.9 49.9	51.7 52.2 52.1 50.1 51.5 50.5 42.5 42.0 43.0 60.0 60.0 60.4 48.9 49.9 51.0	51.7 52.2 52.1 52.4 50.1 51.5 50.5 50.3 42.5 42.0 43.0 44.4 60.0 60.0 60.4 63.5 48.9 49.9 51.0 52.0

REASONS FOR TERMINATION OF EMPLOYMENT AND RETIREMENT AGE

	2019	2020	2021	2022	2023
Retired	11	17	16	18	11
Cancelled employment contract	4	5	3	8	11
erminated employments n total	15	22	19	26	22
verage retirement age, n years	63	64	64,1	62,3	63,5

ACTIVE DIALOGE WITH EMPLOYEES

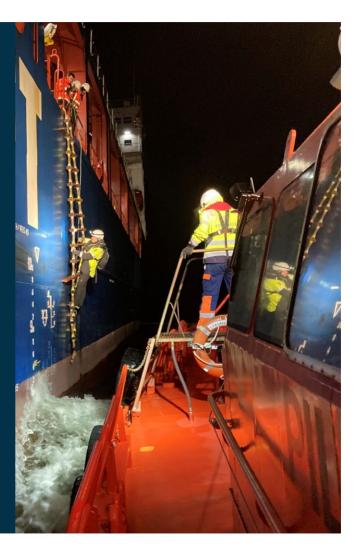
Finnpilot respects the employees' freedom of organisation and values close co-operation with the trade unions representing the company's different employee groups. We maintain continuous and active dialogue between the management and employees as well as with the employee unions.

The most significant changes related to personnel are processed in Co-operation Committee meetings chaired by the CEO. The committee discusses company-related matters and other matters that are fundamental in terms of principle and far-reaching in terms of impact. In the meetings, the employer is represented by the CEO as well as members of the Executive Committee and experts. The employees are represented in the meetings by shop stewards and other personnel representatives. The Committee convened four times during 2023.

Finnpilot's Occupational Safety Committee is comprised of the Occupational Safety Manager as chair and seven (2023) regionally selected members who are occupational safety and health representatives in their own area. The Occupational Safety Committee annually reviews and discusses the follow-up summary detailing the realisation of the occupational safety and health plan. The Committee met four times during 2023.

OUR OCCUPATIONAL HEALTH AND SAFETY ACTION PLAN DEFINES OUR OBJECTIVES AS FOLLOWS:

- All safety-critical information shall be reported.
- Every accident shall be investigated and corrective measures determined.
- Every station shall have an up-to-date occupational safety risk assessment.
- All pilots and pilot boat operators shall participate in escape and rescue training that is tailored and meets STCWrequirements as well as in regular refresher courses.
- Pilot boat operators shall be able to rescue others from the sea and to get themselves to a lift raft in different situations and regardless of the vessel used.
- New employees shall receive comprehensive employee onboarding prior to initiating their work tasks.
- The entire personnel shall participate in first aid training and the maintenance of those skills.
- All pilot boat operators shall participate in hot work training and ensure that they have a valid Hot Work Safety Card.



WORK ABILITY AND WELL-BEING AT WORK

Finnpilot is an expert organisation and the central role of the employees has been taken into consideration in both the company's strategy and sustainability programme. The competence, work ability and well-being of our employees are central to our operations. Work ability is managed through proactive measures intended to maintain and support the possibility for employees to cope and continue in good health throughout their entire career.

The work carried out at pilot stations and in pilot dispatch is irregular shift work. The work at the stations is carried out using a week on/week off system and pilot coordinators work in three shifts over each 24-hour period. Sufficient rest and recovery play a vital role in coping at work. We systematically monitor the realisation of rest periods and impact of rest on recovery and analyse the data to identify any possible needs for development.

Finnpilot supports communal well-being at work and exercise through an annual recreational benefit and by paying the participation fees for separately agreed sporting events. During 2023, the recreational benefit totalled EUR 200 per person. Additionally, exercise opportunities are arranged for employees who reside at pilot stations during the work week, based on their requests.

Finnpilot's support for well-being at work includes an early support and crisis support action model, guidelines for help with substance abuse, and procedures for identifying and addressing harassment and inappropriate treatment. Our employees have the possibility to use the Mielen Chat mental health service provided by our occupational health provider. Our work culture facilitates



PRINCIPLES OF REPORTING AND GRI

The Work community development plan serves as a tool to advance interaction with the employees. The plan includes, among other things, information about the work community, the personnel structure and competence development. The plan is examined and updated as necessary at the meetings of our Co-operation

Committee.



the flexible harmonisation of work and personal life. In any positions where possible, we have allowed for flexible working hours and the use of a working hour bank system. Hybrid work can be carried out in accordance with commonly agreed rules in administrative and pilot dispatch positions. Finnpilot also encourages employees to make use of family leaves.

TRAINING AND DEVELOPMENT

During 2023, we developed our training system so that, from the start of September, we will be able to offer the statutory assessment of pilotage examinations for our own pilots and for shipping companies who wish to purchase this service from us. Read more about the Pilotage Act amendments and their impacts on our training system under Responsibility: **Society**.

We continued our close co-operation in training activities with other maritime actors. In addition to everyday pilotage operations and piloted voyages executed specially for the purpose of maintaining the validity of regional PEC certification (lupakirja in Finnish, formerly ohjauskirja until 31 August 2023), pilots maintain their vocational expertise through, for example, simulator exercises, escort towage training and training courses on areas of competence required by the authorities. We arrange regular station-specific rescue training as well as individual safety and rescue courses for our employees working at sea. All Finnpilot employees are offered first aid training by work units, basic and further training for occupational safety personnel, work-related information system training and other workrelated training that is assessed as necessary through annual development discussions. The training for pilot dispatchers focused on the changes being introduced by the amended Pilotage Act.

The topics of the supervisor seminars held in the spring and autumn included the impacts of the new Pilotage Act on Finnpilot's operations and daily work, risk assessments, the developing situation concerning one's own work, the development and content of the Sustainability Programme and aspects of data security. On the basis of a survey, we discussed the psychosocial load factors of supervisory work with Finnpilot supervisors. An expert from the Centre for Occupational Safety visited us to talk about how supervisors can address harassment and inappropriate treatment. During the change negotiations, info sessions were arranged for supervisors to provide support to them regarding their role both during the change negotiations and afterwards.

OCCUPATIONAL HEALTH AND SAFETY: EVERYONE SHOULD ARRIVE HOME SAFELY AND IN GOOD HEALTH

Pilotage and pilot transports are physically demanding work within a challenging environment. Moving about on a boat or ship deck, on pilot ladders or on quays and outdoor fields in slippery and dark conditions presents the risk of occupational accidents. Occupational accidents and sick leaves complicate resource planning and cause the accrual of direct and indirect costs. Replacing and regaining knowledge and expertise lost due to long-term sick leaves may take a long time in tasks that call for solid experience.

Our occupational health service includes statutory preventive occupational health care and voluntary medical care for the treatment of acute illnesses. We invest in preventing absences due to illness as well as reducing the duration of sick leaves. By immediately addressing problems that threaten work ability, we can avoid sick leaves among vessel crews as well as the need to wait for exceptional permits to the medical certificate.

PRINCIPLES OF REPORTING AND GRI

In order to minimise and prevent the risk of accidents at our pilot stations, we organise regular safety tours and occupational safety training. We endeavour to effectively identify risks related to accidents at work and to communicate the identified risks actively.

During 2023, nine accidents (2022: 8 accidents) occurred, of which four were occupational accidents and five were minor accidents that required first aid. We are members of the Nolla tapaturmaa (zero accidents) forum coordinated by the Finnish Institute of Occupational Health. We invest in a positive safety culture and emphasise that everyone has the opportunity to affect the safety of our work environment. At Finnpilot, occupational safety is improved every day as part of our daily work. We promote open and continuous dialogue on HSE matters and focus on developing a positive safety attitude as well as safety skills and behaviours on all levels of the organisation.

During the year, occupational safety and health inspections were conducted on the administration, pilot dispatch and supervisory work across the entire company. Any deficiencies noted during the inspections were communicated internally within the company and the necessary measures or plans were made to correct the issues.

OCCUPATIONAL ACCIDENTS

	2019	2020	2021	2022	2023
No. of accidents (incl. first-aid cases)	16	11	7	8	9
Absences due to accidents, days of work	265	385	842	465	149
Accident frequency, accidents per million working hours (occurring at work)	20	10	5	15	8

OCCUPATIONAL HEALTH CARE COSTS, %

	2019	2020	2021	2022	2023
Medical care	47.3	45.5	41.0	42.5	42.4
Preventive care	52.7	54.5	59.0	57.5	57.6
Total	100.0	100.0	100.0	100.0	100.0

ABSENCES

	2019	2020	2021	2022	2023
Days of work	3,439	3,266	4,038	4,244	2,962
Days/employee	10	10	12	13	10
Share of full-time working hours, %	4.3	4.4	5.6	6.7	4.3
Health precentage, % (of personnel who were healthy for the entire year)	42	43	51	23	38

Our principles to promote equal and non-discriminatory treatment are stated in our Work community development plan. The plan and its implementation are reviewed each quarter by the Co-operation Committee.

TOGETHER WE CREATE A WORKPLACE CHARACTERISED BY EQUALITY

Our principles of equal and non-discriminatory treatment are outlined in our Work community development plan. By virtue of Finnpilot's code of ethics concerning all Finnpilot employees, we commit to respect each other's work. We do not accept any form of discrimination, harassment, exploitation or bullying within our work community. Our aim is ensure that no one is discriminated based on their origin, social background, religion, world view, health status, age, gender, sexual orientation, political views or membership in a trade union.

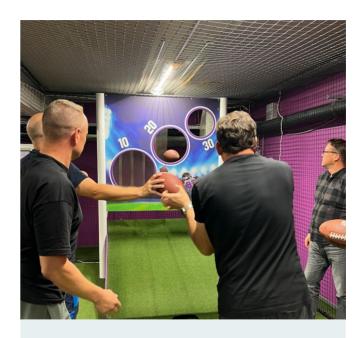
Of Finnpilot's employees, 92% are male and the average age of the employees exceeds 50 in all professional groups with the exception of pilot dispatchers. Of our total personnel, the share of women is only 8%, of which three work in pilotage/pilot transport positions. This figure reflects the gender distribution for maritime tasks in general. There are very few female applicants for open positions. We hope to get more women interested in the field of navigation and want to encourage young people to pursue navigational careers regardless of gender. We examine the

realisation of equality through a regularly conducted survey. The previous equality survey was conducted in 2021. The survey will be conducted again in spring 2025.

PRINCIPLES OF REPORTING AND GRI

During a year characterised by uncertainties, we were also forced to address situations involving experiences of unfair behaviour and treatment. The internal discussion culture of the company also saw instances in which the exchange of opinions became heated Support from HR as well as external help from the occupational health provider were offered to resolve the situations. Those in supervisory positions, in particular, hold significant responsibility when addressing such situations and we endeavour to provide our supervisors with tools to solve potential conflict situations. In our communications, we endeavour to stress everyone's responsibility for respecting the opinions of others, even in difficult situations.

At Finnpilot, all actions that disregard ethical guidelines, such as suspected acts of discrimination or harassment, can be reported to immediate supervisors or their supervisors. Finnpilot also has a whistleblowing channel through which employees can anonymously report, for example, cases of discrimination.



THE FINNPILOT DAY EVENT HELD IN SEPTEMBER

brought our employees from around Finland together again for the first time in four years. Finnpilot Day brings familiar and new colleagues together in person and gives them an opportunity to interact and share experiences about issues in and out of work.

EMPLOYEES-RELATED GOALS

PROGRESS IN 2023 COMPLETED OR ESTABLISHED / STILL EVOLVING / IN THE EARLY STAGES

KEY SAFETY GOAL: We will ensure that the work of our employees is carried out safely. No incidents that could be classified as serious accidents* will be experienced by our employees.	During 2023, our employees did not experience any incidents that could be classified as serious accidents. There was a total of 9 accidents, of which 4 were actual occupational accidents (minor accidents) and 5 were incidents requiring first aid.	***
We will ensure that all stations have updated emergency guidelines.	The emergency guidelines of all stations were reviewed. The correction of any observed deficiencies will continue during 2024.	***
We will continue the work of clarifying psychosocial load factors.	Psychosocial load factors were clarified through co-operation with the Regional State Administrative Agency and occupational health care through survey studies and discussions. The surveyed groups included supervisors, pilot dispatch personnel, administration and management. The clarification process will continue in 2024.	***
We will ensure the optimal footbridge solutions for safe passage between the vessel and quay at every quay.	Footbridge solutions have been implemented at most stations. Good practices have been shared. Some issues were still observed regarding the use of the solutions in daily work. The work to guarantee safer passage will continue.	***
We will develop our training system to correspond to the demands of the new Pilotage Act.	The training system has been built in accordance with the new Pilotage Act that entered into force in the autumn. The earlier established educational paths for pilots and pilot boat operators will be integrated into this system. Approval for the training system will be sought from the authorities during 2024.	**&
We will make development discussions a part of our operational method for the entire company so that the coverage would be 100%.	An increasing number of Finnpilot employees are engaging in development discussions, but there is still a ways to go to reach 100% coverage. According to the personnel survey, those who have participated in development discussions are more satisfied with their work. The theme will be raised in internal communications.	**&
We will keep organisational citizenship skills and the theme of equality and non-discrimination visible in our internal communications and training.	The theme of equality and non-discrimination was one of the topics for our supervisor seminars. The significance of organisational citizenship skills was emphasised to the entire personnel at the Finnpilot Day events. A development programme or separate training for this theme has yet to be created.	*&&
We will develop employee life cycle processes (incl. recruitment process and employment termination process).	The development of the guidelines was moved to 2024.	2 & &
The work ability maintenance model will be completed.	The framework for the work ability management model was completed. The development of the model and realisation of measures will continue in 2024.	*&&

^{*}Scale: catastrophic accident, very serious accident, serious accident, minor accident, incident, no accident



We ensure the safe passage of our customers' vessels

The central theme for our customer and stakeholder collaboration in 2023 was preparations for the enforcement of the new Pilotage Act. We integrated the demands of the new Pilotage Act into our pilotage processes and services and updated our service terms and conditions. We trained personnel to be able to perform the necessary assessments related to pilot examinations, and we created and launched a process for the ordering of examination-related services. The amendment of the Pilotage Act has been significant and the timetable tight. The integration of the legislative impacts into our processes will continue in 2024.

ACTIVELY HEARING OUR CUSTOMERS IS KEY TO OUR OPERATIONS

Finnpilot serves its customer 24 hours a day, every day of the year. We pilot into 62 ports or berths through 42 pilot boarding positions.

Our customers are shipping companies and shipbrokers representing the shipping companies. Of our shipping company customers, more than 90% are foreign shipping companies. The availability and predictability of pilotage services are of great financial significance to our shipping company customers. Our end customers are the shipmasters of piloted vessels. Indirectly, our customers also include Finnish industry and ports, as the cargo

must reach ports and depart from ports reliably and without delays. Our customers must be able to trust that we are capable of providing timely and high-quality pilotage services.

We actively develop our operations by listening to our customers. We want to offer the best customer experience and uniform customer service throughout our entire station network. We review the expectations of our stakeholders annually as part of our strategy updates.

READ MORE about the expectations of our stakeholders on our website (in Finnish)

PRINCIPLES OF REPORTING AND GRI





FOCAL POINTS OF OUR SUSTAINABILITY PROGRAMME:

Reliable, timely and consistent pilotage services

Best customer experience

Active partnership and customerdirected service development YEAR 2023

Regular customer meetings help us to understand the needs of our customers throughout Finland. We regularly meet with Shipbrokers Finland to discuss common issues. We also meet annually with the Finnish Shipowners' Association and the Finnish Ports' Association to discuss current matters. During 2023, key discussion topics included, among others, the development of traffic volumes, pilotage pricing, the amendment of the Pilotage Act and resulting changes in pilotage services and, for example, the acquisition of Pilot Exemption Certificates (PEC), and common rules for winter navigation.

Finnpilot provides services along the entire coastline of Finland, from Ajos to Hamina. Finnpilot's operational managers meet a wide range of our stakeholders through their work. The discussions often also involve District Chief Pilots and other employees working at different stations. The outcomes of these regional stakeholder meetings are shared in Operational Executive Committee meetings, in which matters related to our stakeholders are a permanent item on the agenda.

CUSTOMER COMMUNICATIONS FOCUSED ON THE NEW PILOTAGE ACT

The most significant changes and amendments to the new Pilotage Act, which entered into force in the autumn, compared to the previous Act, concern the obligation for ships to use a pilot as well as exemptions from and other exceptions to this obligation. The Act also significantly changed the educational requirements of pilots and obligates pilotage companies to offer pilot examination-related services. You can read more about the training requirements of pilot in the Employees chapter.

In our customer communications, we emphasised the importance of making advance pilot orders on time. Advance notifications issued in a timely fashion help us to assure availability in accordance with our service terms and conditions and a smooth pilot order process. Through co-operation with Fintraffic, the Finnish Transport and Communications Agency Traficom and the Finnish Transport Infrastructure Agency, we organised five joint stakeholder events during the summer. The events provided participants with a concise information packet on current maritime issues and the chance to take part in joint discussions. Traficom experts talked about the new Pilotage Act and the background and preparations for the decrees pursuant to the Act, while Finnpilot's topics included pilotage areas, route plans, pilot examination-related services and deep-sea pilotage in the Baltic Sea. The events were held in Helsinki, Oulu, Kokkola, Turku and Rauma and they all received positive feedback from participants. Our pilot dispatch personnel were closely involved in putting the requirements of the new Pilotage Act into practice.

PRINCIPLES OF REPORTING AND GRI

The ratio between income from pilotage and the costs of providing pilotage services will be examined through open discussions with our customers and stakeholders. Unlike the previous law, the new Pilotage Act facilitates a biannual review of pilotage service prices. The new prices can become effective, at the earliest, six months from the previous effective price changes. The discourse about pilotage pricing is initiated with stakeholders no later than three months before new prices are taken into use. The timetable for the process will take into account the discussions about the pricing proposals within the stakeholders' internal forums. Discourse about the impacts of the difficult financial situation on pilotage resources and pilotage prices will continue actively in 2024.



THE ISO 9001 STANDARD FOSTERS **CONTINUOUS IMPROVEMENT**

The enhancement of our customer work is part of our quality management system, which covers the pilotage process at all stations, in pilot dispatch and in administration. The quality management system behind our pilotage process fulfils the requirements of the ISO 9001:2015 standard. Certification by an accredited third party demonstrates our commitment to quality management, customer satisfaction and sustainable business operations. ISO 9001 certification promotes a culture of continuous improvement within our organisation.

During 2023, we conducted internal quality audits at the Emäsalo station and within pilot dispatch. The results of the internal audits were processed and the subsequent measures were scheduled at the end of the year as part of the management's review and further in connection with external ISO 9001 auditing. In addition to customer relationship management, the external auditing of the quality management system assessed, for example, the overall quality policy, the applicability of strategic indicators, employee satisfaction, observation reporting and procurement.

Starting on 1 September 2023. Finnpilot has offered its customers pilot examination-related services that include PEC familiarisation voyages, fairway knowledge tests, practical pilotage demonstrations and ship simulator tests. The Pilotage Act gave Finnpilot the possibility to offer deep-sea pilotage services in the Baltic Sea, the first of which were carried out in early 2024. The need of our customers has focused particularly on the winter navigation expertise of the Baltic Sea pilots. During 2024, we will especially focus on promoting our examination-related services and Baltic Sea pilotage services.

PRINCIPLES OF REPORTING AND GRI

PILOT DISPATCH PLAYS A KEY ROLE IN CUSTOMER WORK

Finnpilot's Pilot Dispatch Centre is often the initial contact that a vessel arriving at Finnish ports or a shipbroker representing a vessel has with Finnpilot. The efficient activities of pilot dispatch and our competent professionals play a vital role in ensuring smooth and safe pilotage services.

We updated the division of our pilot dispatch areas during January 2023. We now have seven pilot dispatch areas instead of the earlier three. The new model will ensure more efficient pilot dispatch services by distributing the areas in a more agile way and assuring a more balanced workload for the pilot dispatchers. As a result of the reform, we will be able to serve our customers better and faster, as required by the area with the most traffic at any given time.

As in earlier years, our pilot dispatch continued to monitor that the draughts of piloted vessels meet the requirements of the ice class. Our goal is to ensure safe and smooth pilotage all year round, also when assistance restrictions are in effect. Through co-operation

with the authorities, we arrange annual training and discussion events focusing on winter navigation and related safety.

Our software partner expanded its Port Activity application to enable the possibility to make pilot orders through the app. This function was developed through close co-operation with Finnpilot experts and was initiated to meet the development wishes of our customers. The possibility to order pilots through the application serves as a supplementary method to Finnpilot's own order channels.

Our pilot dispatch experts played a key role when we updated the Admiralty List of Radio Signals information for pilotage to correspond to the new Pilotage Act. A process for regularly updating the information was created and pilot dispatch will assume the responsibility for the process.

DEVELOPMENT OF OPERATIONAL CONDITION LIMITS CONTINUED AND THE OPERATIONAL STATUS APP **ESTABLISHED ITS PLACE**

During 2023, we continued the task of defining the operational condition limits, an undertaking which began the previous year. Our objective was to create for Finnpilot a uniform, advance method of informing customers everywhere in Finland of situations in which pilotage would be interrupted due to weather conditions. The condition limit specifications are still being refined for some stations with new data, so communications about the limits to customers and stakeholders was moved to 2024. The Operational Status app developed for the internal use of Finnpilot's pilot stations has now become an established tool. With the help of the app, the District Chief Pilot on duty can send advance information



Overall grade of reputation -Reputation & Trust survey ON A SCALE OF 1-5 (result 2022, next survey in 2024)

Target was 4.0

CORNERSTONES OF TRUST: OPENNESS, TRANSPARENCY, RESPONSIBILITY AND GOOD CORPORATE GOVERNANCE

We conduct a customer and stakeholder survey every other year. In the Reputation&Trust survey conducted in autumn 2022, Finnpilot's reputation received an average rating of 4.1 (previously 3.97) on a scale of 1-5, which is an excellent result.

With regard to trust, our stakeholders particularly appreciate the openness, transparency, good governance and responsibility of our operations. Our exclusive statutory right to offer pilotage services in Finland emphasises the importance of these issues. The customer and stakeholder survey will be conducted again in autumn 2024.

to customers about a possible interruption in pilotage services as soon as the interruption appears likely due to weather forecasts. Receiving this type of advance information would allow our customers to plan their own operations more efficiently. Many of our customers have expressed their appreciation for this new practice.

GAINING FAMILIARITY WITH PILOTAGE ACTIVITIES UIVA -FLYTANDE 2023 AND OTHER SECTOR EVENTS

We met with customers at navigational stakeholder events, namely Maritime Day (Sjöfartens Dag) in Mariehamn and the Call the Agent summit organised by Shipbrokers Finland. Finnpilot

had a stand at both events where our experts from around Finland were able to share information and news about pilotage activities with participants. At the Call the Agent event, Pilotage Director Sanna Sonninen spoke about the changes to the Pilotage Act and Finnpilot's service terms and conditions.

During the summer of 2023, we participated for the first time in Finland's largest in-water boat show, UIVA - Flytande 2023, held at Lauttasaari in Helsinki. Our goal was to showcase pilotage services to boaters who often encounter our orange pilot boats out at sea. Finnpilot's Harmaja pilot boat L153 was on display at the show. The same quay area also featured boats owned by Finnish Customs,

Finnish Police, Finnish Border Control and Finnish Maritime Rescue Association. The event was a huge success. During the four-day event, our experts had the opportunity to share information about pilotage with approximately 1,200 visitors. Finnpilot received a lot of positive feedback on its contribution to the event.

During the year, we published four customer and stakeholder newsletters on current topics related to pilotage. The newsletter is sent to approximately 750 recipients. The average open rate of the newsletters was 41.7%, which can be considered excellent for a customer and stakeholder newsletter.

PROGRESS IN 2022

PRINCIPLES OF REPORTING AND GRI

COMPLETED OR ESTABLISHED / STILL EVOLVING / IN THE EARLY STAGES

KEY SAFETY GOAL:

CUSTOMER-RELATED GOALS

We will ensure the safe passage of our customers' vessels. Piloted vessels will not sustain any damage classified as a serious accident*.

Piloted vessels did not sustain any damage classified as a serious accident. During the year, one accident classified as a minor accident occurred.

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We will take into use a new pilot ordering application, developed through co-operation with customers.

The pilot ordering option was integrated into the POLO – Port Activity App developed and published by our co-operative partner. We informed our customers about the use of the app and arranged related training through a co-operative partner. Our customers have use of the POLO – Port Activity App.



We will integrate the aspects required by the new Pilotage Act into our pilotage processes and services.

We developed our training system to correspond to the demands of the new Pilotage Act. We trained personnel to be able to perform the necessary assessments related to pilot examinations, and we created and launched a process for the ordering of examination-related services. Our pilot dispatch personnel were closely involved in putting the requirements of the new Pilotage Act into practice. The amendment of the Pilotage Act has been significant and the timetable tight. We are continuing to process the incorporate the legislative impacts into our practices.



We will emphasise the importance of receiving advance pilot orders from customers on time in order to ensure availability in accordance with our service terms and conditions and the smoothness of the pilotage process.

Together with authorities, we held a series of customer events, where we focused on the changes brought about by the new Pilotage Act from the customer perspective. We communicated about this in our customer newsletters. The message requires further repetition in order to get unprompted advance orders from customers, thereby allowing pilot dispatch to focus on managing the overall situation.



We will finalise and launch condition limit definitions for all stations, weather conditions and vessels of different sizes. Our objective is for Finnpilot to have a uniform, advance method of informing customers in Finnish waterways of situations in which pilotage would be interrupted due to weather conditions.

The condition limits have been jointly created for all pilotage areas and communicated locally to stations and customers. The specification of the condition limits will continue as we are still in the process of gathering experiential data from some of the stations. Finnpilot's broad customer communications (e.g. about the publication of condition limits for all stations on the website) were postponed to 2024.



 $[\]hbox{*Scale: catastrophic accident, very serious accident, serious accident, minor accident, incident, no accident}$

We guarantee smooth and uninterrupted maritime transports in all conditions

Pilotage plays a critical role for the security of supply of Finnish society. Our task requires the continuous development of our activities and competence. By means of long-term, cost-effective activities, Finnpilot upholds its responsibility to the surrounding society in the form of jobs, tax revenue and increasing expertise.

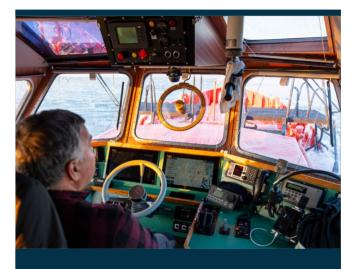
WE REPRESENT RESPONSIBLE CORPORATE CITIZENSHIP

Responsible corporate citizenship is the foundation of our activities: we generate a positive social impact through our activities. We are an active party within the surrounding society and we actively collaborate with our stakeholders. Transparent information exchange with our stakeholders is vital in terms of the development of our operations and the advancement of a sustainable society. We regularly review the expectations of our stakeholders for our activities. These expectations and our response are documented in the customer relationship management plan, the progress of which is monitored by the Executive Committee and through auditing.

We are committed to compliance with laws and regulations in all our activities and we endeavour to go above and beyond what is required by law, standards and good practice. All aspects of our activities reflect respect for people and the environment, and our approach further involves long-term financial development and transparent reporting. Our activities comply with the principles of good governance and we ensure the openness of our communications.

PRINCIPLES OF REPORTING AND GRI

We are members on, among others, national advisory boards for SAR activities and the prevention of oil spills and chemical spills from ships as well as on the collaborative working group for winter navigation led by the Maritime Unit of the Finnish Transport Infrastructure Agency. We also collaborate with the Finnish Transport Infrastructure Agency in regional transport infrastructure groups. As a member of the Maritime Transport Pool of the National Emergency Supply Agency, we develop our preparedness and that of our network to deal with disruptions and emergency situations.



FOCAL POINTS OF OUR SUSTAINABILITY PROGRAMME:

Security of supply in all conditions

Seamless logistical transport chain in Finland

Evolving services that correspond to the needs of society

Profitable and sustainable business activities

Responsible corporate citizenship and good governance

YEAR 2023

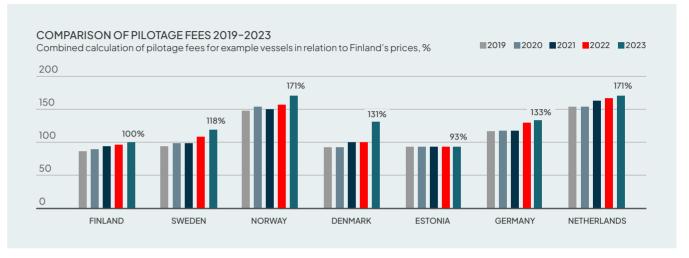


As a state-owned special assignment company, Finnpilot serves the entire Finnish society. We have identified the following expectations of the State and society as regards our activities:

- promotion of navigational safety
- safeguarding the security of supply, including the assurance of cyber security
- generation of value for the owner, cost efficiency, long-term planning
- consideration of aspects of sustainability in all our activities, including socially responsible acquisitions
- ongoing development and renewal, active co-operation within networks
- assurance of conformity, ethical activities, open and transparent reporting

READ MORE about the expectations of our stakeholders on our website (in Finnish)





FINANCES 2023: RUSSIA'S ACTIONS CONTINUE TO STRONGLY IMPACT OUR ACTIVITIES

The year 2023 progressed as a year of uncertainties. Russia's war on Ukraine continued and its effects on Finland's economy were negative. Economic growth and investments slowed, while prices and interest rates increased and inflation intensified. The impacts were strongly reflected in Finland's foreign trade and, for example, in the volume of cruise traffic to Finland. The number of pilotage assignments dropped to an even lower level for the fourth consecutive year.

During 2023, Finnpilot handled a total of 17,396 (2022: 20,315) pilot assignments covering 300,748 (2022: 351,708) piloted nautical miles. The number of pilotage assignments decreased by 14.4% and piloted nautical mileage by 14.5% in comparison to the previous year.

The provision of pilotage activities in the Saimaa region is governed by Finnpilot's obligation to provide financially unprofitable services. There were no pilotage activities in the Saimaa region during 2023 (2022: 92 pilotage assignments). The return of traffic in Saimaa in the near future is unlikely, but for the time being, we are maintaining our readiness for pilotage in that region by virtue of the owner's decision. In 2023, the company was granted a separate State subsidy to cover the costs caused by maintaining this state of readiness.

The price of pilotage in Finland is internationally competitive and Finnpilot's pilotage fees are among the most reasonable in the Baltic Sea region. From the start of 2023, the pilotage fees were increased along the coastline and in Saimaa by 4.7%. No changes were realised in any other part of the pilotage pricing structure.

Finnpilot's turnover for the financial period of 2023 was EUR 30.9 million (2022: EUR 34.5 million). This represented a 10.4% decrease from the previous year. The operating profit of the entire year totalled -3.6 million euro (2022: -0.9 million euro) and the result of the financial year was -3.0 million euro (2022: -0.7 million euro).

NUMBER OF PILOTAGE ASSIGNMENTS*

	2019	2020	2021	2022	2023
Bay of Bothnia	5,080	4,503	4,888	4,757	4,049
Archipelago Sea-Bothnian Sea	5,252	4,829	4,631	4,721	4,286
Gulf of Finland	12,384	9,257	8,726	10,745	9,061
Saimaa	2,407	3,006	3,165	92	0
Total	25,123	21,595	21,410	20,315	17,396

*The Hanko-Helsinki and Kotka-Saimaa pilotage areas were combined to form a single Gulf of Finland pilotage area in 2023. Due to the state's support policy for Saimaa pilotage, the figures of the pilotage assignments of Saimaa are presented as their own entities.

PILOTED NAUTICAL MILES*

	2019	2020	2021	2022	2023
Bay of Bothnia	79,736	69,788	72,663	69,318	56,019
Archipelago Sea-Bothnian Sea	111,058	106,926	87,779	92,484	83,820
Gulf of Finland	210,759	164,740	153,460	186,606	160,909
Saimaa	69,745	89,008	96,938	3,300	0
Total	471,298	430,462	410,840	351,708	300,748

KEY FINANCIAL FIGURES

PRINCIPLES OF REPORTING AND GRI

EUR 1,000	2019	2020	2021	2022	2023
Turnover	40,923	35,831	35,216	34,487	30,906
Operating result	2,638	-636	-1,183	-945	-3,592
Profit/loss of the financial year	2,121	-423	-793	-736	-2,998
Operating profit, % of turnover	6.4%	-1.8%	-3.4%	-2.7%	-11.6%
Return on investment, %	21.6%	-5.7%	-11.9%	-10.5%	-41.6%
Solvency ratio, %	63.4%	63.0%	57.4%	57.3%	40.8%
Quickratio	0.9	0.8	0.7	0.6	0.4

COST-EFFICIENCY OF ACTIVITIES

	2019	2020	2021	2022	2023
Yeald/pilotage assignment	1,629	1,659	1,645	1,698	1,777
Yeald/piloted mile	87	83	86	98	103
Cost/pilotage assignment	-1,524	-1,689	-1,700	-1,744	-1,983
Cost/piloted mile	-81	-85	-89	-101	-115
Profit/loss/pilotage assignment	105	-29	-55	-46	-206
Profit/loss/piloted miles	6	-1	-3	-3	-12

PILOTAGE SUBSIDY FOR SAIMAA

EUR1,000	2019	2020	2021	2022	2023
State subsidy	3,951	3,687	4,022	1,033	726

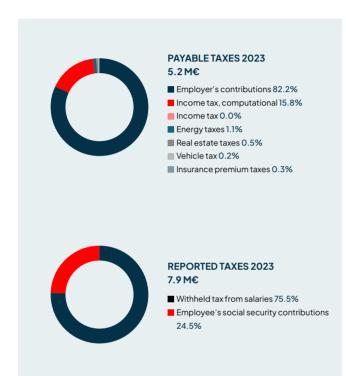
TAX FOOTPRINT

The taxes and tax-like charges we collect and pay help to maintain society and its services. Finnpilot complies with Finnish legislation as it concerns the payment, collection and accounting of taxes. Finnpilot has no operations in any countries classified as tax havens, nor does the company utilise any international dimensions in its tax planning for the purpose of minimising its taxation. The company's taxes are paid in their entirety to Finland. Finnpilot also does not pay any profits, dividends or interest outside of Finland. Finnpilot's tax footprint was a total of EUR 11.7 million in 2023. Personnel-related charges comparable to taxes amounted to EUR 6.2 million and payroll taxes from employees to EUR 5.9 million. The company's share of statutory pension insurance contributions was EUR 3.4 million and other social security expenses amounted to EUR 0.8 million.

TAX FOOTPRINT

EUR 1,000	2019	2020	2021	2022	2023
Share of taxes	298	-81	-208	-454	-425
Personnel-related	6,554	6,184	6,584	6,376	6,229
Withheld taxes	6,651	6,595	6,437	6,167	5,930
Total tax footprint	13,503	12,698	12,813	12,089	11,734
Tax burden	-820	-1,155	-1,204	-1,407	-1,249

YEAR 2023



PAYABLE TAXES

PRINCIPLES OF REPORTING AND GRI

EUR 1,000	2019	2020	2021	2022	2023
Employer's contributions	4,537	4,173	4,567	4,384	4,300
Income tax, computational	1,118	1,074	996	953	824
Income tax	534	0	0	0	0
Energy taxes	47	47	55	53	55
Real estate taxes	25	25	24	25	27
Vehicle tax	13	12	12	11	10
Asset transfer tax	0	0	0	0	0
Insurance premium tax	13	14	15	15	14
Total	6,287	5,345	5,669	5,441	5,231

REPORTED TAXES

EUR 1,000	2019	2020	2021	2022	2023
Value added tax, net	-1,452	-1,253	-1,310	-1,511	-1,355
Withheld tax from salaries	6,651	6,595	6,437	6,167	5,930
Employee's social security contributions	2,018	2,012	2,017	1,992	1,929
Total	7,217	7,354	7,144	6,648	6,504

CASH FLOW TO STAKEHOLDERS

EUR 1,000	2019	2020	2021	2022	2023
Customers					
Turnover	40,923	35,831	35,216	34,487	30,906
Other income from					
operations	26	0	85	1,143	766
Income in affiliated		0	0	0	0
companies	0	0	0	0	0
Good suppliers					
Material and service					
acquisitions	-2,745	-2,206	-2,368	-3,627	-2,873
Other operating cost	-5,609	-5,068	-4,965	-5,096	-4,943
Personnel					
Salaries and fees	-22,901	-22,220	-21,943	-20,954	-20,676
Pension costs	-3,867	-3,426	-3,709	-3,514	-3,424
Social security expenses	-722	-807	-910	-836	- 793
Total	-27,491	-26,453	-26,562	-25,304	-24,894
Taxes (income tax)	-534	-4	0	0	0
Support and donations	-2	-3	-2	-3	0
Dividends to shareholders	-3,500	-500	-500	0	-430
Financing costs	-1	-4	-2	0	-55
Funds set aside for the		-4			-33
development of activities	1,067	1,594	902	1,600	-1,522
Investments	2,467	2,370	2,031	1,603	2,628

WE ARE DEVELOPING OUR RESPONSIBLE APPROACH TO PROCUREMENT

As a state-owned special assignment company, Finnpilot's acquisitions are realised in compliance with the Act on Public Procurement and Concession Contracts (1397/2016). Finnpilot endeavours to organise its procurement activities in a way that enables the acquisitions to be carried out in the most economic. high-quality and systematic manner possible, making use of existing competitive conditions and considering aspects of sustainability. All participants in the procurement procedure are treated in an equitable and non-discriminatory manner, and Finnpilot acts transparently and with regard to the requirements of proportionality. We reject the abuse of a dominant market position and do not act in a way that violates competitive neutrality.

Our procurement guidelines cover the requirements for environmental and energy efficiency that are applicable to our subcontractors and suppliers. The elements of social responsibility that we require from our other suppliers are identified and specified in connection with each specific acquisition. The requirements extend to the subcontractors of our suppliers as well. A separate responsibility requirement appendix is published for our most significant acquisitions. The appendix defines, for example, the requirements for a safe working environment, environmental protection and the ban on the use of child labour. Furthermore, we have expanded the requirements of the Act on the Contractor's Obligations and Liability when Work is Contracted Out (1233/2006) to apply to the majority of our acquisitions. Our objective is to be able to monitor to a further extent the realisation of the responsibility and sustainability work of our partners.

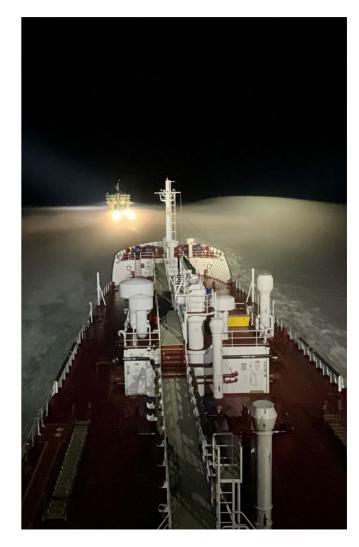
Our stakeholders can use our Whistleblowing channel to anonymously report violations or suspected violations related to human rights, corruption and bribery.

PRINCIPLES OF REPORTING AND GRI

CYBER SECURITY AND CONTINUITY MANAGEMENT.

The significance of the company's continuity and contingency planning has become emphasised within the current security situation. Further development is necessary to prepare for cyber security threats and the provision of activities within exceptional situations. The pilotage company's obligation to prepare for emergencies is regulated even more specifically under the new Pilotage Act, which is discussed further later in this section.

The purpose of the State's Cyber Security Development Programme (2021) is to provide growth and improve the sustainability of the digital society. The confidentiality, integrity and availability of information in all forms are vital to our ongoing activities. As part of our risk management, we continuously develop our data security so as to have the capability to react rapidly to possible cyber security threats. During the financial year, cyber security issues were also strongly at the forefront of discussions due to the global political situation. As a critical actor for the security of supply, Finnpilot, like many other organisations, was of interest to criminal groups. The significance of continuity management increased as a result of the attacks or attempted attacks on our systems by various hacker groups. Personnel training continued internally in accordance with our overall training plan. The primary aim of the training is to facilitate the identification and prevention of cyber security threats directed at our activities. The impacts of the training can clearly be seen and the results



of the implemented data security exercises have been positive. The training and communications will continue as a means of maintaining the achieved skill level and minimising possible new data security risks.

Contingency and continuity planning and the drafting of guidelines that correspond to the current global political situation continued. System changes required by these were also carried out as planned. The planning of the system changes also identified areas requiring larger changes. With the help of these changes, we can significantly reduce the risks of external threats. The planned testing, personnel training and co-operation in emergency situations will continue intently in 2024.

COLLABORATION TO ACHIEVE SAFER AND MORE SUSTAINABLE MARITIME TRAFFIC

We are working in active collaboration with the technology and maritime industries, research organisations, shipping companies and relevant authorities. Finnpilot's role in the projects is to contribute navigational and pilotage expertise, including viewpoints on how remote pilotage might be carried out safely in the future. The shared objective is to promote safer, more efficient and more sustainable maritime traffic through digitalisation.

PRINCIPLES OF REPORTING AND GRI

The Sea for Value (S4V) research programme came to a close at the end of 2022. The development of remote pilotage was continued in 2023 as part of the Nelson project promoted by Fintraffic. Finnpilot serves as the head of the remote pilotage package within the project. The project defines, among others, the technical and operational aspects required for remote pilotage and the development needs in terms of international standards. Funding for the project was sought from the EU CEF programme and is expected to be confirmed during summer 2024.

The Remote Pilotage Days event, held for the first time in 2022, was once again held in summer 2023 when Finnpilot invited international networks to Rome to discuss the next steps. The General Meeting of the European Maritime Pilots' Association.

at which Finnpilot's Pilotage Director also spoke, was held at the same time in Rome. The Pilotage Director was also invited to speak about remote pilotage at the Australasian Maritime Pilots' Institute Conference.

We continued our close co-operation with other Nordic pilotage organisations. The aim is to share best practices and find synergies. The topics of the joint discussions included occupational safety, training and recruitment.

Co-operation continued closely with the authorities, particularly the Finnish Transport and Communications Agency Traficom and the Finnish Transport Infrastructure Agency, stakeholders and companies involved in maritime spatial planning. The topics included, for example, collaborative fairway planning, the change to the N2000 reference system, and the initiation and guidance of the new authorised draught. Additionally, co-operation was carried out on, among other projects, the spatial planning for offshore wind farms. Together with the Finnish Meteorological Institute, we further developed the weather services required for pilotage and participated in the planning of the R&D project aimed at improving the availability of marine condition data.

We advanced pilotage safety and the monitoring of vessel conformity during winter navigation by continuing to monitor the ice class draught of vessels. The monitoring will not only improve the safety of pilotage in ice but also increase the efficiency of pilotage and icebreaking operations.

Our employees participated actively in different exercises to improve navigational safety, such as oil spill response and rescue



AS VESSEL SIZES INCREASE, IT IS MORE IMPORTANT THAN EVER TO DETERMINE A SAFE DRAUGHT FOR SHIPS. The Squat calculator developed internally by

Finnpilot for the use of pilots and verified by Aalto University was introduced to a wider extent by the authorities. The calculation helps to assess the impact of wind load and squat on a specific vessel. The calculator can be accessed through the website of the Finnish Transport Infrastructure Agency. väylä.fi

WE PREPARED FOR THE ENFORCEMENTO OF THE NEW PILOTAGE ACT

The overall reform of the Pilotage Act was completed and the Government's proposal for a new Pilotage Act was submitted to Parliament in November 2022. The Act was approved by Parliament on 24 February 2023 and confirmed by the President of the Republic on 23 March 2023.

The new Pilotage Act entered into force on 1 September 2023 and introduced changes that promote maritime safety, such as changes to compulsory pilotage, pilot and PEC qualifications and parties that assess the examinations for these qualifications. The purpose of the Act is to promote maritime safety and fairway navigation competence, as well as to advance the prevention of harmful environmental impacts as a result of vessel traffic. The focus of the new law is to ensure the development and verification of pilotage expertise as required by pilots and vessel officers exempt from compulsory pilotage. The reforms concern pilot examinations and the prerequisites for the PEC and the vessel- and fairway-specific requirements for compulsory pilotage.

In 2023, we focused on the preparation of decrees pursuant to the law and the development of a training programme that was in keeping with the decrees. Starting on 1 September 2023, Finnpilot has offered its customers pilot examination-related services, as required by law, that include PEC familiarisation voyages, fairway knowledge tests, practical pilotage demonstrations and ship simulator tests. According to law, the pilotage company must

ensure that it has a sufficient number of trained individuals for the provision of assessments of pilotage and PEC examinations. During the year, we trained examination assessors for all of our pilotage areas. Assessment of familiarisation voyages was initiated in September and the first fairway knowledge test and practical pilotage test on board was completed in October.

PRINCIPLES OF REPORTING AND GRI

The Pilotage Act also made it possible for the company to offer deep-sea pilotage services within the Baltic Sea. By virtue of the Act, deep-sea pilotage in the Baltic Sea can be provided by any legal person operating with a deep-sea pilot's licence for the Baltic Sea, or a natural person holding a deep-sea pilot's licence for the Baltic Sea. The deep-sea pilotage offered by Finnpilot will primarily be a value-added service for winter and ice navigation and Nordic co-operation has been discussed with regard to its implementation. During 2024, we will especially focus on promoting our examination-related services and deep-sea pilotage in the Baltic Sea.

As a result of the Pilotage Act, all routes in the Finnish coastal waters became pilotage routes and pilotage limits were defined for them. Pilotage limit refers to the point in the VTS fairway beyond which the bridge of the ship subject to compulsory pilotage shall be manned by a pilot carrying out the pilotage or persons exempted from compulsory pilotage under the Act. The locations of the pilot boarding positions were reviewed and changed if necessary. Some new pilot boarding positions were also established. Finnpilot participated in the risk analysis conducted by the Finnish Transport Infrastructure Agency for the purpose of assessing the risk level of all commercial fairways. On the basis of the assessment, size limits for different types of vessels were determined for all fairways.



PROVISION OF EXAMINATION-RELATED SERVICES WAS INITIATED

Our first pilots trained to assess pilot or PEC examinations assessed the following parts of the examinations during the period of September-December 2023:

- 36 familiarisation voyages
 - 3 simulator tests
- 9 practical pilotage tests
- 4 fairway knowledge tests



SOCIETY-RELATED GOALS PROGRESS IN 2023

COMPLETED OR ESTABLISHED / STILL EVOLVING / IN THE EARLY STAGES

KEY SAFETY GOAL: We will guarantee smooth and uninterrupted maritime transports in all conditions.	We provided uninterrupted pilotage service every day of the year, with the exception of interruptions caused by weather conditions. No serious cyber security anomalies occurred within our activities. Pilotage service was provided within the time frame (3 hours) defined in our service terms in 99.8 % of all the pilotages.	***
We will define and document our training system in accordance with the provisions of the new Pilotage Act. Once the Act enters into force, we will be ready to offer the statutory new services (assessment of examinations, deep-sea pilotage in the Baltic Sea).	We developed our training system so that, as of 1 September 2023, we were able to begin assessing aspects of pilot and PEC examinations (PEC familiarisation voyages, fairway knowledge tests, practical pilotage tests and ship simulator tests) for our own personnel as well as for shipping companies looking to acquire this service for their personnel from us. The development of the training system will continue during 2024.	**&
We will develop our contingency plans to correspond to the changed operational environment and the requirements of the new Pilotage Act.	Contingency and continuity planning and the drafting of guidelines that correspond to the current global political situation continued. System changes required by these were also carried out as planned. The planning of the system changes also identified areas requiring larger changes. With the help of these changes, we can significantly reduce the risks of external threats. We continued the training for reserve channel pilots. The planned testing, personnel training and co-operation in emergency situations will continue intently in 2024.	***
Together with our international network, we will advance the funding for the development of remote pilotage.	The development of remote pilotage was continued in 2023 as part of the Nelson project promoted by Fintraffic. Finnpilot serves as the head of the remote pilotage package within the project. The project defines, among others, the technical and operational aspects required for remote pilotage and the development needs in terms international standards. Funding for the project was sought from the EU CEF programme and is expected to be confirmed during summer 2024.	**&
We will balance our finances to minimise the impacts caused by Russia's war on Ukraine. We will focus on increasing productivity and cost-efficiency.	We endeavoured to minimise the impacts of the decline in pilotage assignments through tight cost discipline and critical assessment of projects undertaken during 2023. We adopted more energy-efficient driving behaviours and advanced our resource planning. Through the change negotiations concerning all personnel, we are seeking savings of more than EUR 1.7 million in 2024. Despite measures taken, we were not successful in turning our result to the positive.	***
We will develop our supplier management and the responsibility requirements placed on our suppliers.	The planned online training in responsibility and sustainability aspects for our larger subcontractors was not realised during 2023, this goal has been postponed.	. & &





THE EU'S NEW CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)

requires finnpilot to publish its sustainability data as part of its annual review in accordance with the requirements of the directive and sustainability reporting standards as of 2025. The data collection and content of the report will be further developed to meet the requirements of the CSRD.



Finnpilot's principles of corporate governance are defined in the Corporate Governance Guidelines. The Guidelines reflect the general norms of Corporate Governance, the Corporate Governance Code of the Securities Market Association, the Agenda for Improving the Corporate Governance of Unlisted Companies published by the Finland Chamber of Commerce and the ownership steering guidelines of the Prime Minister's Office. Reporting is also guided by the UN Global Compact principles and commitments and guidelines on reporting country-specific taxes for companies in which the State is a majority shareholder. The development of reporting has also endeavoured to take into account the forthcoming Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). Finnpilot will be reporting in accordance with the Directive as of 2025 (report publication in spring 2026).

PRINCIPLES OF REPORTING AND GRI

The reporting covers all of Finnpilot's activities, excluding those of its subsidiary, Ice Advisors Ltd. The financial information is based on audited financial statements and accounting. More specific information about our financial performance and turnover is presented in the statutory financial statements. The financial statements and annual review of the Board of Directors for 2023 was published on 2 April 2024.

Information concerning the personnel is based on our HR systems and surveys. Environmental data has been compiled from Finnpilot's own data collection systems. Information on customers and stakeholders is obtained through, for example, our quality system and separate surveys.

In terms of environmental impacts, Finnpilot's emissions calculation covers Scope 1 (direct GHG emissions), Scope 2 (GHG emissions from the generation of purchased energy) and Scope 3 (indirect emissions, e.g., waste maintenance) of the Greenhouse Gas Protocol. The reference year for overall emission reductions is 2021.

Finnpilot's Sustainability Report has not been verified by an independent third party. Data collection will be further developed to meet the requirements of the Corporate Sustainability Reporting Directive.

The primary rule for sustainability reporting is that the comparative data must cover a time period of four years. If comparable figures are not available, data is presented for a shorter period. The report will explain why the data is not available or not comparable with previous years.

The Sustainability Report is published annually in connection with Finnpilot's annual report and its content is shared in stakeholder communications, such as personnel and customer newsletters. Finnpilot's annual report for 2023 will be published in PDF format on Finnpilot's website.



GRI Content Index

Statement of use: Finnpilot Pilotage Ltd has reported the information citied in this GRI content index in accordance with the GRI standards for the period of 1 January 2023 to 31 December 2023. **GRI 1 Standard used:** GRI 1: Foundation 2021

GRI standard	Content indicator	Links	Omissions / Remarks			
GRI 2: GENERAL DIS	GRI 2: GENERAL DISCLOSURES (2021)					
GRI 2: General Disclosures	Organizational Profile					
	2-1 Organisational details	Finnpilot in brief				
	2-2 Entities included in the organisation's sustainability reporting	Principles of reporting				
	2-3 Reporting period, frequency and contact point	GRI index	The reporting period is Jan 1-Dec 31, 2023. The report is published once a year. Contact: Laura Kaustinen, Communications Manager.			
	2-4 Restatements of information	Environment	Due to the end of the Saimaa pilotages, the Saimaa pilotages and the fuel consumed on Saimaa have been removed from the emission figures also for the years 2013-2023 for comparability.			
	2-5 External assurance	Principles of reporting	Sustainability Report has not been verified by an independent third party.			
	Activities and Workers					
	2-6 Activities, value chain, and other business relationships	Finnpilot in brief, Customers, Society				
	2-7 Employees	Employees				
	2-8 Workers who are not employees	GRI index	All Finnpilot employees are in employment.			
	Governance					
	2-9 Governance structure and composition	Corporate governance				
	2-10 Nomination and selection of the highest governance body	Corporate governance				
	2-11 Chair of the highest governance body	Corporate governance				

GRI standard	Content indicator	Links	Omissions / Remarks	
GRI 2: General Disclosures	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate governance, Sustainability management		
	2-13 Delegation of responsibility for managing impacts	Corporate governance, Sustainability management		
	2-14 Role of the highest governance body in sustainability reporting	Sustainability management		
	2-15 Conflicts of interest	Corporate governance		
	2-16 Communication of critical concerns	Sustainability management, Employees	Finnpilot has a whistleblowing channel that enables employees to anonymously report, for example, any experienced or witnessed incidents of discrimination	
	2-17 Collective knowledge of the highest governance body	Corporate governance		
	2-18 Evaluation of the performance of the highest governance body	GRI index	Each year, the Board evaluates its own activities and their effectiveness in a self-assessment.	
	2-19 Remuneration policies	Remuneration		
	2-20 Process to determine remuneration	Remuneration		
	2-21 Annual total compensation ratio	GRI index	Finnpilot Pilotage Ltd does not report median salary figures.	
	Strategy, Policies and Practices			
	2-22 Statement on sustainable development strategy	Review of the CEO, Sustainability management		
	2-23 Policy commitments	Corporate governance, Sustainability management		
	2-24 Embedding policy commitments	Sustainability management		
	2-25 Processes to remediate negative impacts	Sustainability management, Safety, Employees, Environment		
	2-26 Mechanisms for seeking advice and raising concerns	Employees		
	2-27 Compliance with laws and regulations	GRI index	In 2023, Finnpilot had no reported cases of non-compliance with laws or regulations.	
	2-28 Membership associations	GRI index	Helsinki Region Chamber of Commerce, ITS Finland ry, One Sea ry, Palvelualojen työnantajat PALTA ry, Vastuu Group, Association of Finnish Waterways, Finnish Information Processing Association, Nolla tapaturmaa forum of the Finnish Institute of Occupational Health, Taxpayers Association of Finland	

GRI standard	Content indicator	Links	Omissions / Remarks	
GRI 2: General	Stakeholder Engagement Stakeholder Engagement			
Disclosures	2-29 Approach to stakeholder engagement	Customers, Society		
	2-30 Collective bargaining agreements	GRI index	Finnpilot's entire personnel falls within the sphere of the collective bargaining agreement for the field of pilotage	
GRI 3: MATERIAL TO	PICS (2021)			
GRI 3: Material	3-1 Process to determine material topics	Sustainability management		
Topics	3-2 List of material topics	Sustainability management	The material topics identified form the themes and priorities of our sustainability programme.	
	3-3 Management of material topics	Sustainability management		
Economic standard	series			
GRI 201: Economic	201-1 Direct economic value generated and distributed	Society		
Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability management		
	201-4 Financial assistance received from government	Society	Pilotage subsidy for Saimaa in 2023 was 726 tEUR	
Anti-corruption				
GRI 3: Material Topics	3-3 Management of material topics	Sustainability management		
GRI 205: Anti- corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Sustainability management	Guidance on anti-corruption policies and procedures is included in our Code of Ethics.	
	205-3 Confirmed incidents of corruption and actions taken	GRI index	None to report.	
Anti-competitive behaviour				
GRI 3: Material Topics	3-3 Management of material topics	Society		
GRI 206: Anti- competitive behaviour 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Society	None to report.	

GRI standard	Content indicator	Links	Omissions / Remarks
Energy			
GRI 3: Material Topics	3-3 Management of material topics	Sustainability management, Environment	
GRI 302: Energy	302-1 Energy consumption within the organization	Environment	
2016	302-3 Energy intensity	GRI index	Finnpilot does not yet report the energy intensity of its operations.
Emissions			
GRI 3: Material Topics	3-3 Management of material topics	Sustainability management, Environment	
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Environment	
2016	305-2 Energy indirect (Scope 2) GHG emissions	Environment	
	305-3 Other indirect (Scope 3) GHG emissions	Environment	
	305-4 GHG emissions intensity	GRI index	The GHG emissions intensity (Scope 1+2+3): 142 gCO₂e/€ (y. 2022: 147 gCO₂e/€).
	305-5 Reduction of GHG emissions	Environment	
Waste			
GRI 3: Material Topics	3-3 Management of material topics	Sustainability management, Environment	
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	Environment	
2020	306-2 Management of significant waste related impacts	Environment	
	306-3 Waste generated	Environment, GRI index	Our local waste management contracts do not yet allow us to calculate the exact amount of waste.
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	GRI index	Our procurement policy includes requirements for environmental responsibility.

GRI standard	Content indicator	Links	Omissions / Remarks		
Social standards	Social standards				
GRI 3: Material Topics	3-3 Management of material topics	Sustainability management, Employees			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	GRI index	Aim is to report in 2024.		
Labor management i	relations				
GRI 3: Material Topics	3-3 Management of material topics	Employees			
GRI 402: Labor/ management relations 2016	402-1 Minimum notice periods regarding operational changes	GRI index	In cases of operational changes we respect the minimum notice and negotiation periods under national law.		
Occupational health	and safety				
GRI 3: Material Topics	3-3 Management of material topics	Employees			
GRI 403:	403-1 Occupational health and safety management system	Sustainability management, Safety, Employees			
Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	Safety, Employees			
	403-3 Occupational health services	Employees			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Safety, Employees			
	403-5 Worker training on occupational health and safety	Safety, Employees			
	403-6 Promotion of worker health Occupational health and safety	Employees			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety, Employees			
	403-8 Workers covered by an occupational health and safety management system	Employees	Our occupational health and safety management system covers all operational activities.		
	403-9 Work-related injuries	Safety, Employees			

GRI standard	Content indicator	Links	Omissions / Remarks		
Training and education	Training and education				
GRI 3: Material Topics	3-3 Management of material topics	Employees			
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	GRI index	All our employees are receiving regular performance and career development reviews.		
Diversity and equal opportunity					
GRI 3: Material Topics	3-3 Management of material topics	Employees			
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity of governance bodies and employees	Employees			
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Employees	None to report.		



FINNPILOT

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ANNUAL REPORT 2023

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