

2021



**Annual and
sustainability
report**





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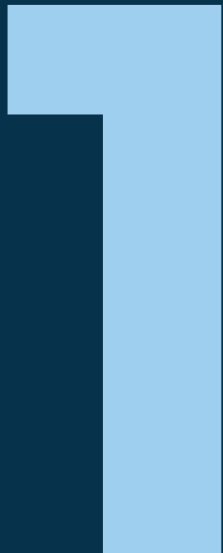
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Service development continued



Matkahuolto in brief

Matkahuolto is a Finnish service and marketing company. We offer our customers – consumers, businesses, communities and carriers – modern services for passenger transport, goods transport and logistics that carry people and parcels quickly and easily everywhere in Finland.

In recent years, we have invested heavily in service development. We wish to offer our customers the best customer experience in our sector as regards the planning, buying, paying for and monitoring of travel and transport.

Sustainability has always been at the core of our business model. We promote public transport and, with a service network covering all of Finland, we contribute to the viability of sparsely populated areas and support local entrepreneurs. Our operating model, which involves carrying people and parcels at the same time, is unique. It reduces environmental impacts and enables us to keep our services available everywhere in Finland. As part of our new sustainability programme adopted in January 2021, we have set ourselves the goal of becoming carbon-neutral by 2030.

Matkahuolto is owned by the Finnish Bus and Coach Association and by regional associations of private entrepreneurs and businesses engaged in professional road transport, i.e. Finnish bus and coach enterprises.

Established in 1933

Finland's 2nd largest parcel service operator

Serves hundreds of bus and coach businesses with routes serving 75,000 stops in all

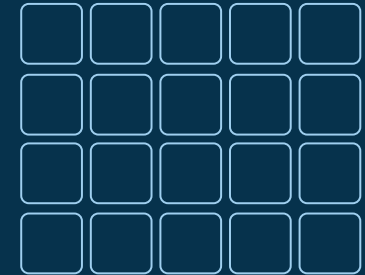


Key indicators



Matkahuolto had **722** employees as at the end of 2021

More than **2,000** service points around Finland



20 million parcels delivered

Turnover **EUR 95.2** million



75,000 stops around Finland

More than **7** million tickets sold





CEO'S REVIEW

Pandemic continued to dominate in year under review – **dual developments in business operations**

The coronavirus pandemic continued to have substantial impacts on our operations in 2021. However, these impacts were almost diametrically opposite in our two business areas. In Parcel Services, the market continued on a robust growth track, and our business experienced a positive development. For Passenger and Carrier Services, the year under review was difficult just as the previous one had been, as public transport volumes and passenger numbers remained low and the market situation in urban areas showed a trend unfavourable to us. Because of these challenges, we were obliged to enter into a dialogue about ownership strategy with our owners.





As a company owned by the Finnish Bus and Coach Association, our purpose is not only to generate direct financial value for shareholders but also to provide a wide range of marketing, service and development functions for the sector as a whole. As a result of the dialogue in which we engaged in 2021, our shareholders determined that what they wanted was for our role to remain essentially unchanged.

The coronavirus pandemic continued to exert a serious toll on travel by bus and coach, and thus the Group turnover remained at the previous year's level at EUR 95.2 million, and we declared a loss of EUR 2.6 million. Because remote work seems to have come to stay to some extent, commuter traffic is unlikely to reach pre-pandemic levels in the near future. Thus, finding an operating model that is consistent with our shareholders' wishes but is financially sustainable is quite challenging. In 2022, our principal task will be to strike a balance between the coverage of our services and the resources available to us.

Building a foundation for post-pandemic operations in Passenger and Carrier Services

In 2021, the volume of passenger travel by bus and coach was less than half of what it was in 2019, before the pandemic, and the number of services run was about 70% to 80%. In the current market situation, Passenger and Carrier Services are focusing on building a post-pandemic future by continuing to develop our digital services for passengers and for carriers.

In 2020, we introduced the Routes and Tickets mobile app, a nationwide service bringing together various forms of public transport. In 2021, Routes and Tickets was extended to include VR train tickets, new local transport areas and water transport tickets. Today, the app covers more than 95% of the scheduled public transport in Finland. We will continue to increase its coverage going forward, so that consumers seeking an alternative to private cars would have as low a threshold as possible to use public transport.

User numbers of the vehicle terminal service we developed together with carriers, Matkassa Pro, grew at a moderate rate in 2021. This was a good performance in the difficult circumstances of the pandemic, considering the impaired investment capabilities of carriers. We believe that interest in Matkassa Pro will continue



We can note with pride that the impacts of our development efforts are beginning to be seen among our employees and by our customers.”

to increase, because it allows carriers not only to sell tickets and to read and top up travelcards but also to monitor routes and to track parcel pickups and deliveries.

Parcel Services increased its percentage of domestic online store deliveries

As online shopping and peer-to-peer trading increased in popularity, the parcel delivery market in Finland continued to show a robust growth rate in 2021. We delivered about 20 million parcels, roughly the same number as in the previous year. Matkahuolto Parcel Services continued to grow, the emphasis being on domestic online store deliveries.

Over the past two years, we have invested heavily in developing our parcels business with improvements to production, services and sales. In the year under review, we expanded our service point network, opened modern sorting terminals and introduced the Parcels mobile app, which makes our services easier to use.

In order to respond to the needs of online stores in particular, we upgraded our operating models and concentrated online shopping delivery handling at logistics terminals and assigned parcels to overnight trunk deliveries. This allows us to provide the service demanded by customers, picking up parcels in the evening and delivering them the next day. We are also continuously improving our services rooted in the nationwide bus and coach network, such as the Express Parcel, which can be delivered within as little as a few hours of being picked up.

International operators and startup businesses have entered the market in online shopping deliveries, and this has stepped up competition and driven prices down. In this market situation, it is important for us to maintain price competitiveness and to increase our transport volume. We are seeking growth by offering customer-oriented, responsibly produced nationwide services for both Finnish and foreign online stores and all other senders of parcels.

Towards carbon-neutral transport

Matkahuolto's first comprehensive sustainability programme was adopted by the Board of Directors in January 2021. This programme is based on a materiality assessment conducted in 2020 that outlined the sustainability themes and goals that are the most important for us and for our stakeholders. These themes have to do with promoting positive environmental impacts and with our role as an employer, a partner, a service provider and an actor in society at large. As part of our sustainability programme, we set ourselves the ambitious goal of our own operations and parcel services being carbon-neutral by 2030.

We have begun to implement our sustainability programme systematically, as we build an increasingly sustainable Matkahuolto. This combined annual and sustainability report reviews our business and our sustainability efforts in 2021.

We launched a robust Matkahuolto development programme in 2019. In addition to improving services for customers, we have been modernising our internal systems and practices. The demands placed on our employees have been high. Now, we can look back and note with pride that the positive changes are beginning to be seen among our employees and by our customers. Several surveys on customer and job satisfaction as well as studies on images associated with us testify to this.

I would like to take this opportunity to thank our employees for their excellent contribution and flexibility in our comprehensive process of change, and to thank our customers and our partners for being with us in 2021.

Janne Jakola
CEO

Year 2021 in brief



Year 2021

Business operations

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1/2021

Parcel Services expanded internationally. We can now deliver parcels to all the Baltic states, to Sweden, to Denmark and widely to central Europe.



2/2021

We introduced small parcel delivery directly to homes and mailboxes. Our delivery area covers the majority of Finnish households.



3/2021

In the 2021 Sustainable Brand Index™ survey, **Finnish consumers chose Matkahuolto as the most sustainable Parcels & Logistics brand in Finland.**



4/2021

We published our sustainability programme and our first ever sustainability report.



5/2021

The first ferry tickets went on sale in our channels as we began to offer timetable information and tickets for bicycle ferries on the Saimaa archipelago route.



6/2021

We partnered officially with Helsinki Pride and participated in the events of Helsinki Pride week.



7/2021

We opened our first outdoor parcel lockers in Oulu, Tampere and Turku. Our plan is to expand the network of outdoor parcel lockers considerably.

8/2021

We introduced new ID-based travel cards and their back office system as the first nationwide operator in Finland. **Matkahuolto was the most highly valued transport and logistics brand among Finns** in the 'Brand appreciation 2021' study conducted by Taloustutkimus and Kauppalehti.

9/2021

The new, automated logistics terminal in Vantaa was opened. This forms part of our development programme to enhance our network and our services.

10/2021

Train tickets were added to the Routes and Tickets app, which thus became the first service in Finland to facilitate genuinely nationwide travel chains.

Our CEO Janne Jakola was named Digital Manager of the Year by Tivi, published by Alma Talent.

We introduced the first electric delivery vehicles.

11/2021

We released the Parcels mobile app, with which customers can easily administer their parcels.

We were awarded silver in the Finnish Responsibility act of the year competition with our Porvoon Kyläkyty call-and-ride service.

We won the Finnish Comms Awards competition with our campaign where we asked our customers to present their complaints about our parcel services in public.

12/2021

Pilot call-and-ride service launched in Uusikaupunki. In this service provided by the local authority, we manage the ride booking and pooling system and handle the customer service.

RESOURCES

Human and social resources

- Motivated and competent personnel
- Customers, suppliers and other partners

Immaterial resources

- Innovations and R&D expertise
- Networks generating parcel and travel chains
- Brand: most valued brand in the sector 2021

Financial resources

- Balance sheet
- Equity ratio

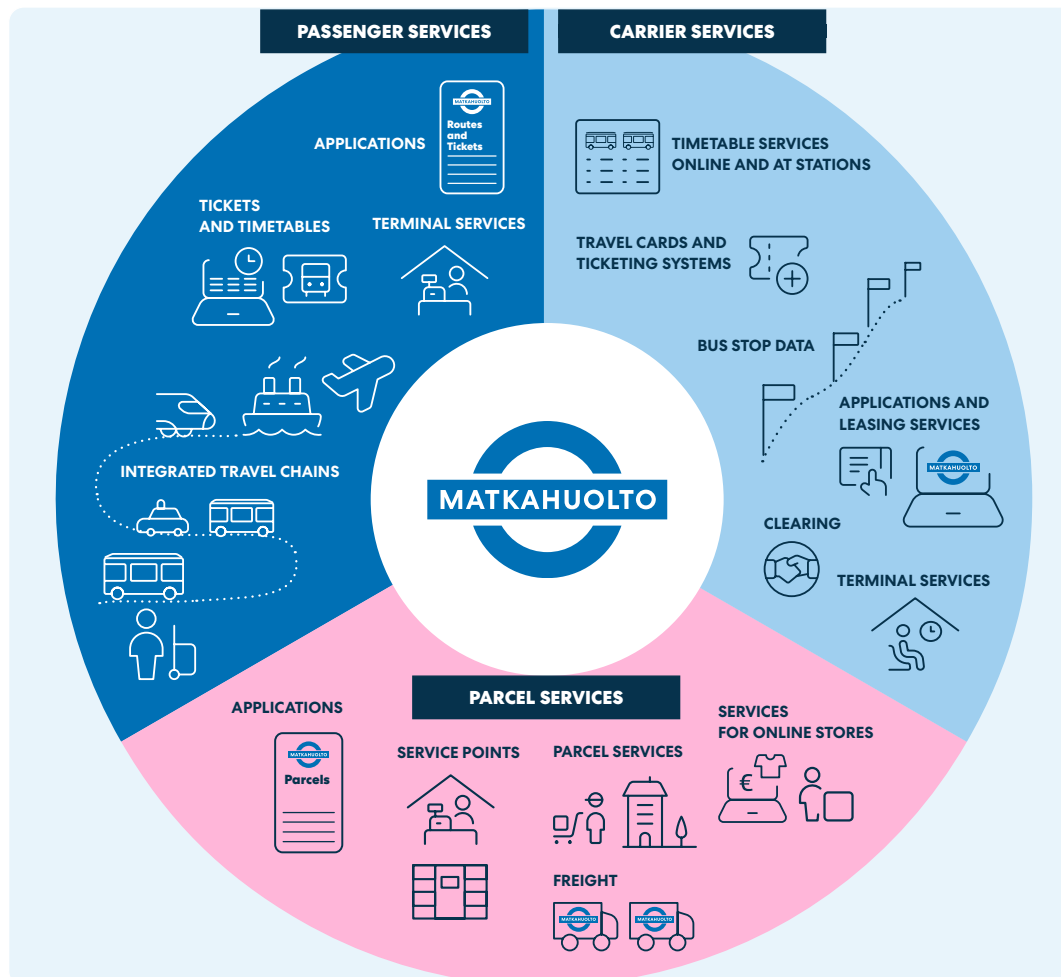
Production resources

- More than 2,000 parcel machines and service points
- 8 own terminals and 18 stations
- Own and partners' fleets
- Information systems and applications, e.g. Routes and Tickets app and Parcels app for consumers, integrations for online stores, Matkassa Pro and Matkassa Lite apps for carriers.

Natural resources

- Fuel consumption
- Property energy consumption
- Packaging materials
- Carbon handprint

BUSINESS MODEL



OUTCOMES AND IMPACTS

Meaningful efforts with new, innovative solutions to promote sustainable development. Important everyday work across the entire organisation. Workplace community with equality and wellbeing, and safe workplace environment.

Services for customers and carriers, increasingly digital and transparent and contributing to an improved customer experience.

Service networks formed by multiple operators, where parcels are efficiently delivered to customers and where passengers can reach their destination anywhere in Finland. Promoting the competitiveness of online stores. Supporting entrepreneurship.

Environment-friendly ecosystem. Promoting public transport and reducing emissions from private cars. Transporting parcels with passengers on board the same buses. Progressing towards carbon neutrality in our own operations and in Parcel Services.

MATKAHUOLTO MISSION

We offer our customers a wide range of services for passenger transport, goods transport and logistics that carry people and parcels quickly and easily everywhere in Finland. Our work is guided by the improvement the customer experience and digital functions. We promote public transport and, with a service network covering all of Finland, we contribute to the viability of sparsely populated areas and support local entrepreneurs.



PASSENGER SERVICES

PASSENGER SERVICES FOR CONSUMERS

Timetable details covering the entire country. Single tickets online and in the app. Season tickets and series tickets on travel cards and in the app. Travel chains.



TERMINAL SERVICES

Passenger services at Matkahuolto stations.

PASSENGER SERVICES FOR ENTERPRISES

Wide range of passenger services, e.g. for local authorities and private businesses. Travel chain solutions and call-and-ride services, and innovative digital services for tourism projects.



ROUTES AND TICKETS MOBILE APP

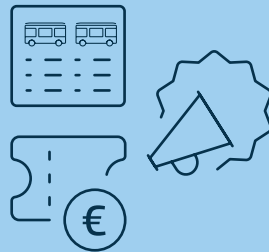
The app combines various forms of public transport and currently covers 95% of all scheduled public transport in Finland. The app allows users to search for routes door to door and to buy tickets for the entire journey, not just for buses but also for trains and several means of local transport.



CARRIER SERVICES

TIMETABLE AND TICKET SALES CHANNELS

Finland's most comprehensive channels for conveying timetable information and for ticket sales, and marketing to support ticket sales.



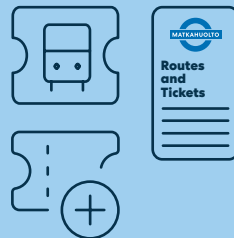
TOTAL SERVICE

Diverse vehicle terminal, travel data, clearing, reporting and analytics services for carriers of all sizes.



TICKETING SOLUTIONS

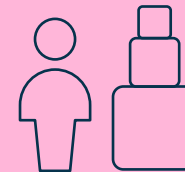
Wide range of services for carriers to provide their own ticketing products on travel cards and in the app.



PARCEL SERVICES

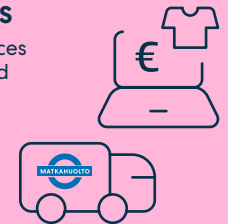
PARCEL SERVICES FOR CONSUMERS

Comprehensive parcel services for consumers, for delivery needs large and small.



PARCEL SERVICES FOR ENTERPRISES

Comprehensive parcel and freight services for the needs of all enterprises in Finland and, increasingly, abroad. Services and digital solutions specifically designed for online stores that also improve the customer experience in the online store.



SERVICE POINTS

Nationwide network of service points with more than 2,000 service points and parcel machines, including the new 24/7 outdoor parcel lockers.



PARCELS APP

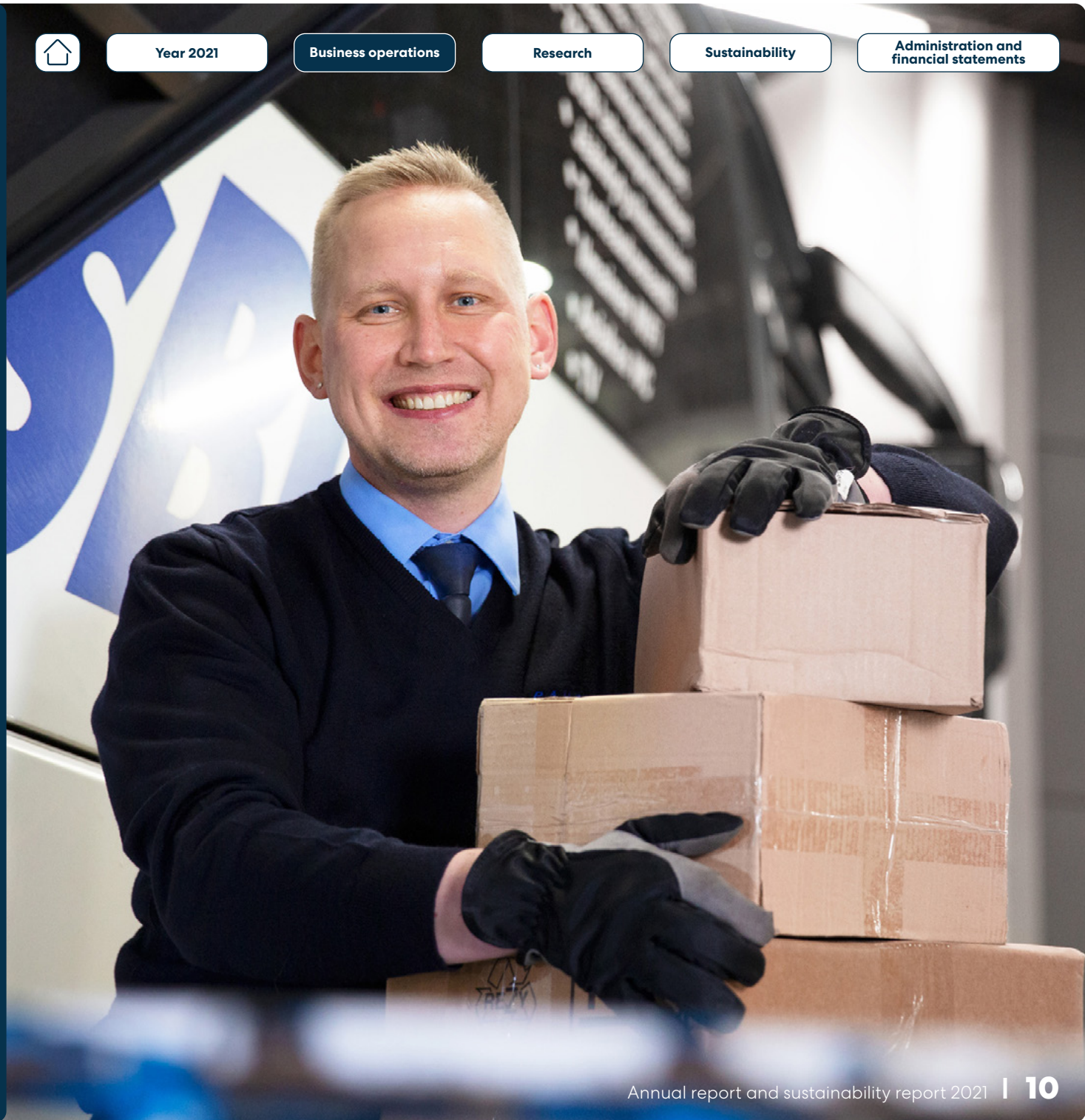
A versatile app for parcel management. Users can buy and pay for parcel delivery, track its progress and amend the parcel details and delivery even while in transit.





Nationwide carrier,
transport and
logistics network

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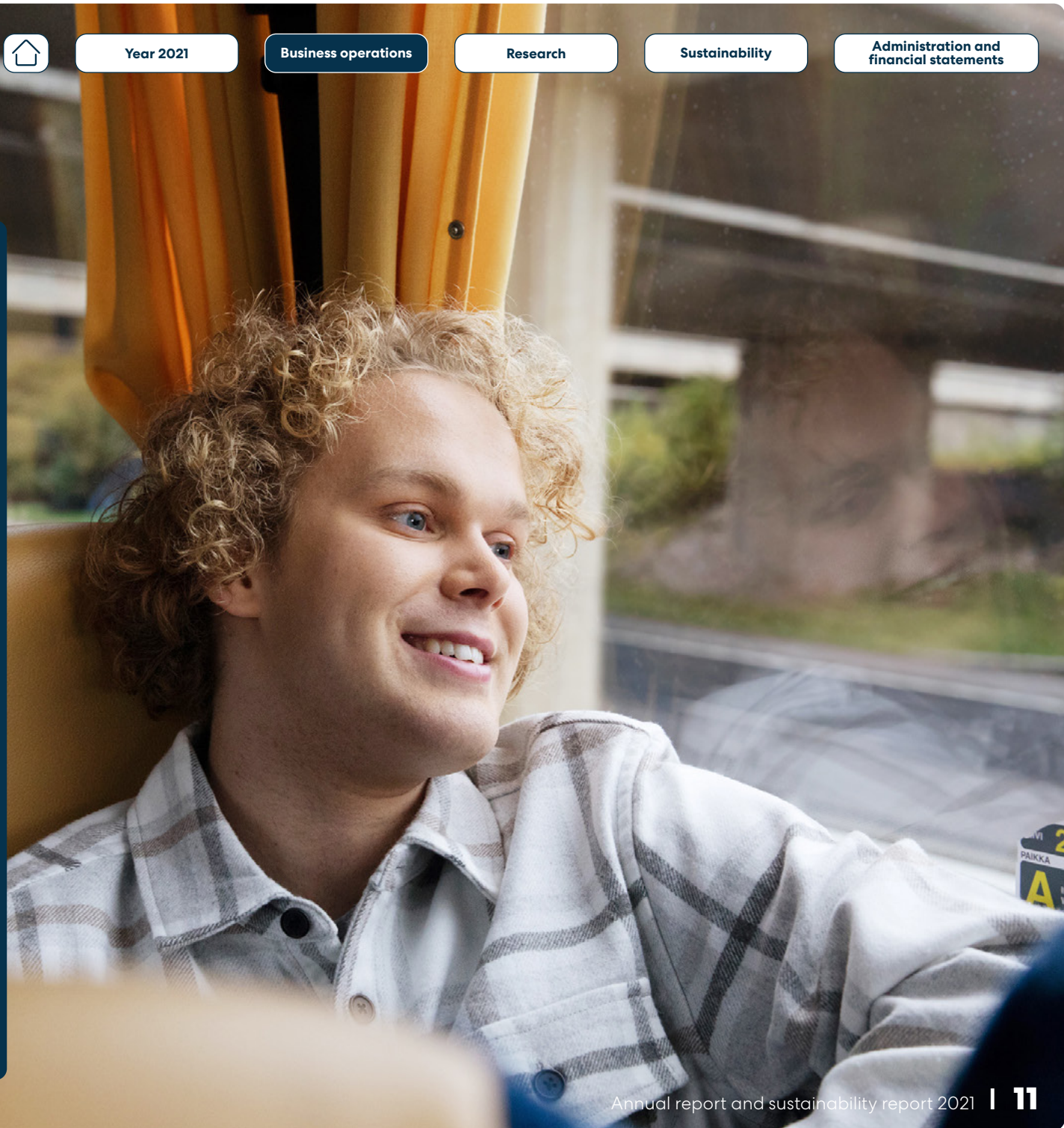
Administration and financial statements

PASSENGER AND CARRIER SERVICES



We respond to market changes with service development

Matkahuolto Passenger and Carrier Services for mobility and travel, delivered through carriers or transport operators, enable a service system with a high level of quality for public transport passengers everywhere in Finland. Because the coronavirus pandemic continued to keep travel and transport at a low level, the year under review was financially unsatisfactory for us. Even so, the pandemic added to our daily work by causing plenty of changes to be made to travel and transport. We have been preparing for things to get better by developing digital services for passengers and carriers.





The Routes and Tickets app combines various forms of public transport and allows planning and purchase of tickets for an entire journey, door to door.

Our operations are based on close partnership with carriers and transport operators. We provide carriers with Finland's most comprehensive selection of sales channels for tickets and other rights of travel along with marketing to support sales. We further support their business by providing them with vehicle terminal, travel data (stops, routes, timetables), reporting and analytics services. These services allow carriers to engage in their business both on the open market and by offering services to the authorities. For consumers, we market and sell tickets and other rights of travel in digital and physical channels, and offer digital services for travel planning and vehicle tracking.

Coronavirus accelerated market change

Usage of public transport and thus the volume of market-driven services remained low in 2021. Passenger numbers in bus transport remained as much as 50% to 60% below pre-pandemic levels. Since many carriers saw their income fall under the profitability threshold in market-driven services, the government has stepped up the volume of subsidised services. These services now account for a larger percentage of the overall volume than before. Support from the government has allowed the retention of public transport links to serve customers who are obliged to travel because of their job, studies or military service even during the coronavirus pandemic. For Matkahuolto, offering rights of travel proved more challenging than in previous years, because the authorities imposed numerous and diverse requirements.

In sparsely populated areas, passenger numbers and the services offered had been declining for a long time because of urban growth, but the pandemic accelerated this trend considerably. The market shift has been so drastic that restoring the service network once the pandemic has died down will probably be a very slow process, even with government subsidies.

ID-based system represented an important step

Our most important project during the year under review was the adoption of a national ID-based ticketing and payment system, the first of its kind in Finland. In an ID-based system, right-of-travel information is stored in the customer's account in a cloud-based background system, and the driver has real-time access to that information via the vehicle terminal. During 2021, we introduced new travel cards using ID-based technology stagewise across the country. Going forward, it will no longer be necessary to demonstrate right of travel with a travel card; it can be stored (and topped up) in a mobile app.

All 300 carriers who work with us transitioned to the ID-based system, which improved their digital competence and competitiveness. Because an ID-based system is a requirement imposed by the authorities for participating in tenders for transport services, our system provided a significant help to carriers in a difficult market situation. We aim to continue to be an enabler for carriers and to help them improve their operations by offering them new technological solutions to improve the efficiency of their business and to gain new customers.

In addition to delivering technological solutions allowing carriers to comply with legislation and regulations, we engage in close dialogue with the authorities regarding the situation and needs of carriers. We aim to lobby in regulatory projects so that the outcomes will be supportive of carriers' business activities and the evolution of public transport services. An example of such a project is the current updating of the ITS Directive, which concerns intelligent transport systems.



We promote the use of public transport with digital solutions

In Passenger Services, the focus in 2021 was on travel chains and call-and-ride services. The Routes and Tickets mobile app that we introduced in the previous year was extended to include VR train tickets and water transport tickets in addition to long-distance and local road transport. The Routes and Tickets app can now guide users from door to door anywhere in Finland, forming travel chains on public transport and allowing users to purchase tickets for an entire travel chain. This makes planning and taking trips substantially easier. The app now covers more than 95% of all scheduled public transport in Finland, and our aim is to include all public transport and operators nationwide, to better serve the travelling public.

The Routes and Tickets app has been received with interest on the market, and the number of downloads is increasing each month. The app has attracted completely new population groups as customers of carriers. For instance, in the summer we logged tens of thousands of searches on our website for route and timetable information on bicycle ferries in the Saimaa lakeland and on water transport in the Turunmaa archipelago. We believe that the popularity of water transport in travel chains will increase.

Since autumn 2020, the Routes and Tickets app has included the Porvoon Kyläkyty call-and-ride service, one of our on-demand services intended for sparsely populated areas. Orders for the call-and-ride service pilot in Uusikaupunki were added to the app late in 2021, and new such ventures are coming on stream in 2022 thanks to market interest.

The travel chain and on-demand solutions and the tourism projects in development are intended to revive the public transport network, particularly in sparsely populated areas. We will continue to develop digital services that make public transport easier to use and that allow us to promote public transport as a genuinely competitive alternative to private cars, hence contributing to a more sustainable lifestyle.



The Routes and Tickets app has attracted completely new population groups as customers of carriers.





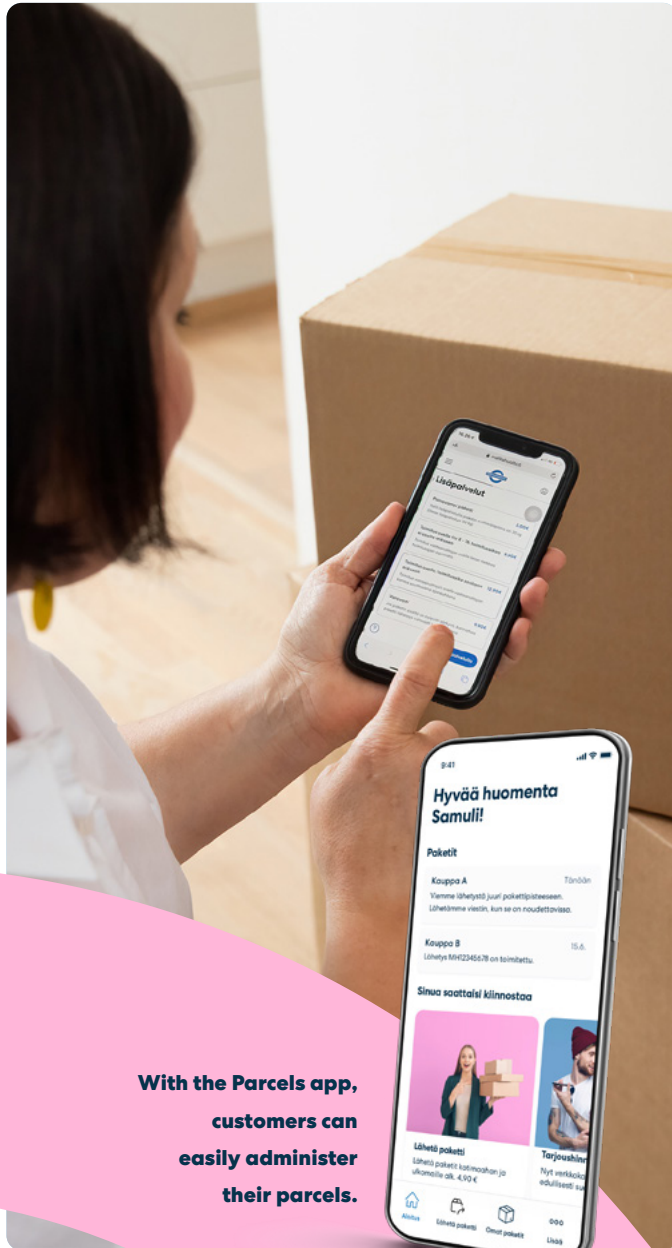
PARCEL SERVICES



Parcel services provider increasingly favoured by consumers and enterprises

Matkahuolto is the second largest provider of parcel services in Finland, offering domestic and foreign logistics services for consumers and enterprises via a nationwide network of transport services and service points. Our operations evolved extremely favourably in the year under review, with growth of more than 30% in our target groups, parcel deliveries between domestic online stores and consumers.





With the Parcels app, customers can easily administer their parcels.

Matkahuolto is increasingly preferred by consumers and enterprises for online shopping and other parcel deliveries. We mainly deliver parcels to pick-up points, but we are increasingly providing home deliveries too. Our service point network covers the entire country. There are currently more than 2,000 service points, more than 700 of which are parcel machines.

Because service point proximity is an important factor for our customers, we continue to add staffed service points and parcel machines; the latter are particularly popular among Finns by international comparison. Our aim is to have at least 1,000 parcel machines in our network by the end of 2022.

Improved recognition fuels growth

As the coronavirus pandemic continued to boost domestic online shopping and peer-to-peer trading, the parcel services market in Finland grew by an estimated 20% in the year under review. As in the previous year, the most robust growth among Matkahuolto Parcel Services deliveries was seen in online shopping and peer-to-peer trading deliveries, where the volume increased by more than 30%. However, the overall volume of our deliveries remained at the previous year's level, because in accordance with our strategy we abandoned certain functions as their agreement periods expired, including local deliveries that are separately timetabled or require special handling.

We also took significant action to increase the volume of international parcel deliveries in our network. The most important of these was the introduction of deliveries for the Chinese online store AliExpress. We aim to increase the percentage of international deliveries in our overall volume of services.

We have also added international parcel products to our service portfolio, meaning parcels sent abroad by Finnish online stores or Finnish consumers. We wish to position ourselves as a competitive alternative in this area. Initially, we are offering deliveries to the Nordic countries, to the Baltic states and to several

countries in central Europe. We will be expanding our delivery domain in 2022.

Towards the end of the year we launched the Parcels app, which makes it easier to do business with us. This app allows real-time tracking of parcels sent by online stores. Users may also issue instructions and further information on their storage and transport, and they can easily both send and return parcels. The app was developed in response to real customer needs, and in the future it will help us achieve our growth goals.

We wish to be an increasingly transparent service provider for our customers. Accordingly, we have since the beginning of 2021 been publishing information on the busiest and least busy parcel machines on our website and released monthly statements on how large a percentage of the parcels delivered we have had to reroute to another destination because of capacity being exceeded at a particular pick-up point. In the course of the year, only 4.1% of all parcels delivered had to be rerouted.

Although the growth of online shopping has been a significant factor in our robust growth, what is even more important is that our public recognition and the images associated with us have improved considerably. Market research confirms that we have risen to the top as regards customer experiences and parcel deliveries among all transport enterprises. This demonstrates that our investments in improving the customer experience, in digitalisation and in accessible services with nationwide coverage have been correct and successful.

Fast deliveries require increasingly diverse modes of transport

In order to improve our competitiveness in deliveries in online shopping and peer-to-peer trading, where consumers typically require overnight delivery, we have increasingly introduced lorry transports alongside buses. In practical terms, the bus network only operates in the daytime, and this does not allow us to



deliver parcels overnight if they are left with us in the evening.

Another reason for the increased use of lorries is that the bus network and the buses in it simply do not have the capacity to handle our expanded volume of deliveries. For express deliveries and regional deliveries, on the other hand, the bus network is the most efficient alternative, for instance because, unlike the services of the major logistics companies, it offers transverse routes in Finland and not just north-south routes. In sparsely populated areas, everyone benefits from the fact that we transport both parcels and passengers on buses. This also contributes to our positive carbon handprint.

Substantial investments in production network

In addition to service development, we invested heavily in improving our production network in 2021. In Seinäjoki, Tampere and Vantaa, we relocated into completely refurbished premises. At the Vantaa terminal, we introduced a modern sorting machine that allowed more efficient handling of large quantities of parcels and the application of various customer-specific additional services or options. Yet it is also suitable for handling small mailbox deliveries. We have been piloting mailbox deliveries for nearly a year, and in 2022 we will be making this option widely available to our consumer, online store and corporate customers.

During the year under review, our service point network expanded by about 250 new service points, most of them parcel machines. In order to be able to provide a 24/7 service, we introduced our first outdoor parcel lockers adjacent to our stations,

and we intend to expand on this rapidly. We are now closer to all Finns than ever before, and we continue to expand our network of service points so as to respond to increasing demand with services catering to customers' needs and wishes all over Finland.

Aiming for robust growth

The past two years have been a period of great changes for us. We have developed our services and built up our competencies so that we now have a firm foundation for robust growth. By reinforcing our status as the prime partner for domestic online stores, by building customer relations with international online stores and by further boosting our recognition and brand image, we aim to capture a larger percentage of the growing parcel market and to double our transport volume by 2025.

We continue to improve our functions in order to offer increasingly customised services according to customers' wishes, combined with the best customer experience on the market. With this, we believe that an increasing number of consumers and enterprises will select us as their parcel services provider and, having used our services, will feel that they made the right choice.



Matkahuolto is increasingly preferred by consumers and enterprises for online shopping and other parcel deliveries.



RESEARCH



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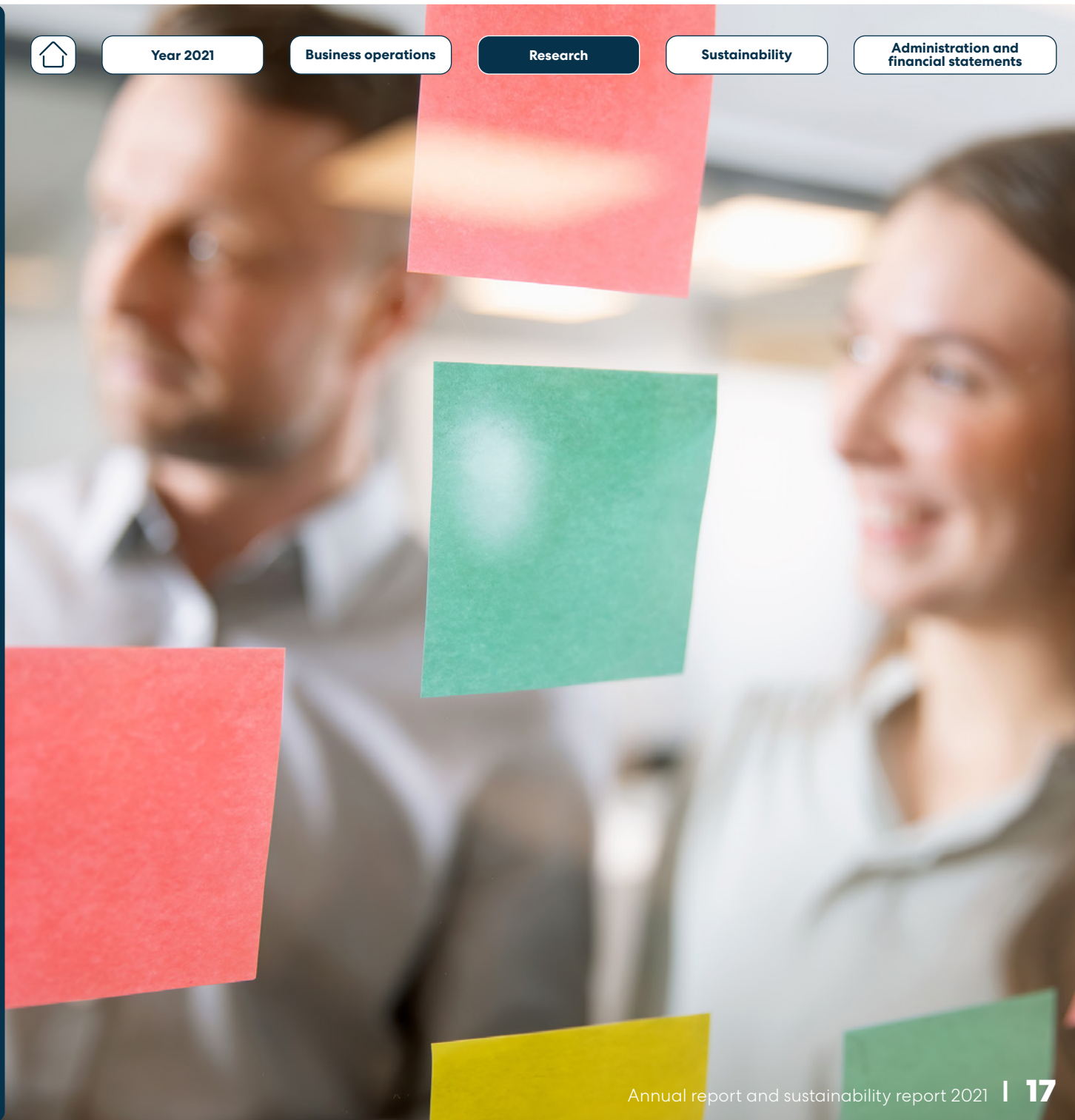
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Continuously improving customer experiences

3





We develop our operations and create new services in order to continuously improve customer experience

What customers desire above all in Matkahuolto services is ease of use. We aim to make using public transport and sending and receiving parcels as effortless as possible. We develop customer paths that provide our customers services that are easy to use, customised and reliable, whenever they want them and wherever in Finland they want them.

We listen closely to the opinions and wishes of our customers

We are continuously striving to make our operations more customer-oriented. To ensure that all our services are being improved to this end, we regularly poll our customers' experiences, opinions and wishes with several indicators and surveys.

Own indicators and studies

After customers buy a ticket, send a parcel, pick up a parcel, have a parcel delivered to their home or phone our customer service, we measure how well we have done with the Net Promoter Score (NPS), which indicates how willing the customer is to recommend Matkahuolto to others. In 2021, the NPS was at a good level overall, showing improvement on the previous year in parcel sending and picking up and a slight decline in purchasing online tickets.

We measured customer satisfaction in Parcel Services with customer satisfaction surveys conducted in May and October. This

survey involved finding out, among other things, how well our operations and services meet customers' expectations and needs. We selected our principal development points for 2022 on the basis of the survey.

We conducted a customer satisfaction survey among carriers for the second time in 2021. One of the key indicators in the survey is the NPS, which measures how likely respondents are to recommend us. The survey showed that carriers' willingness to recommend us had increased notably.

Each year, we also carry out a brand positioning study to explore recognition of, images associated with and use of services of Matkahuolto among consumer customers. In Parcel Services, we were the most recommended operator in the sector, and there was a clear increase in the NPS score. In Passenger Services, we ranked fourth in the sector, with our NPS score being more or less the same than in the previous year.

NET PROMOTER SCORE, OR WILLINGNESS TO RECOMMEND (NPS)

Service success	2021	2020	Contract customers 2021	Contract customers 2020
Sending parcels	74.0	72.7	74	73
Picking up parcels	74.8	73.6	75	74
Carriers	30.0	17.0	30	17
Buying tickets online	61.1	63.3	61	63

Brand positioning study	2021	2020
Parcel Services	18	7
Passenger Services	10	11



Other studies

In addition to our own studies, we commissioned several external studies to explore customer satisfaction and brand recognition.

Matkahuolto was the most highly valued transport and logistics brand among Finns in the 'Brand appreciation 2021' study conducted by Taloustutkimus and Kauppalehti. According to that study, we have the most positive image and the most committed customers in the sector. Our customer satisfaction index also rose significantly, and we ranked second among all brands. The target group of the study consisted of Finns aged 15 to 79 nationwide except for Åland.

In a sectoral study aimed at decision-makers in working life conducted by Taloustutkimus, we ranked second among 22 brands in the transport and logistics sector. The respondents named dependability and reliability of operations as the most important aspects of corporate image in the transport sector.

In the 'Trust&Reputation' study conducted by T-Media, in which we leaped up the scoreboard in reputation in the previous year,

we again saw an improvement in 2021 in all dimensions except sustainability and workplace, and products & services. Our sustainability score remained stable, while in products & services the change recorded was within the margin of error. The target group of the study consisted of Finns aged 15 to 65 nationwide except for Åland.

In the 2021 Sustainable Brand Index™ survey, Finnish consumers chose Matkahuolto as the most sustainable Parcels & Logistics brand in Finland. Out of 212 Finnish brands evaluated, we ranked 58th. The Sustainable Brand Index, Europe's largest brand survey focusing on sustainability, explores how consumers perceive brand sustainability and why.

Cooperation with students

During the year under review, we also cooperated with students, providing them with research topics for degree theses. We launched three studies during the year: 'Towards excellent customer experience in e-commerce journey', 'Paremmän perillä

- Syväallinen asiakasymmärrys Matkahuollon asiakaskokemuksen tukena' (Better informed - In-depth customer understanding in support of the Matkahuolto customer experience) and a usability study on the Routes and Tickets app. The customer experience and customer understanding studies will be completed in 2022.

Customer experience and brand strategy project started

We will start a customer experience and brand strategy project in 2022 to clarify our target state in respect of the customer experience and our brand: what our brand represents, what we promise our customers and how we should develop our customer experience. Alongside strategy design, we will update our brand management tools to cater to the needs of our almost 90-year-old company. The strategy design will be completed in spring 2022, and it will be deployed starting in the second half of the year.

Taloustutkimus and Kauppalehti: 'Brand appreciation 2021' study

1.

in the transport and logistics sector

Taloustutkimus: sectoral study

2.

in the transport and logistics sector

T-Media: 'Trust&Reputation' study

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Sustainable Brand Index™ study

1st

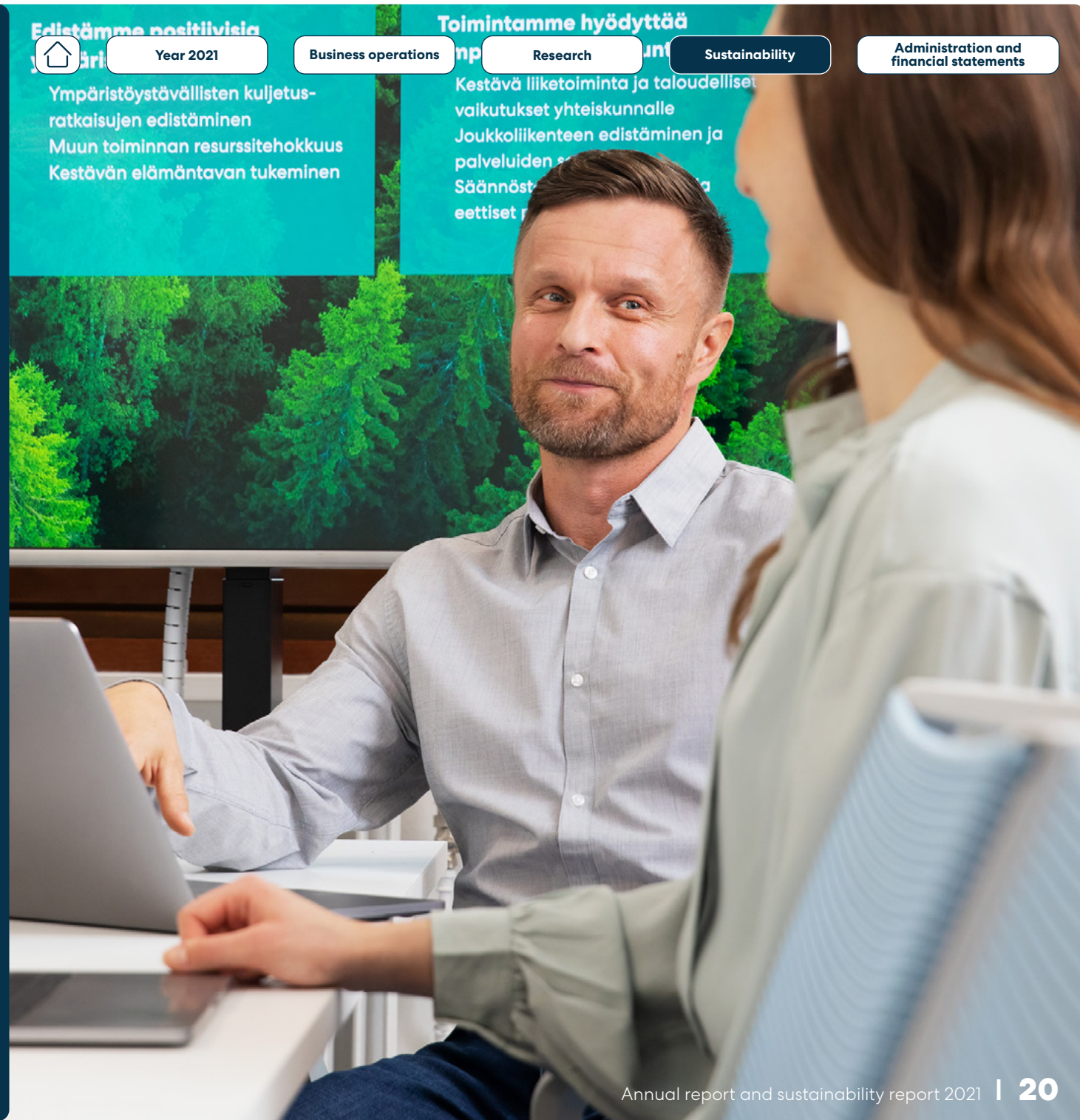
parcels and logistics brand in Finland

SUSTAINABILITY



Sustainably produced
public transport and
parcel services

4





Sustainability at the core of what we do

Sustainability is at the core of what we do: it is mainstreamed through our organisation and is present in our day-to-day activities. We contribute to a better future by promoting sustainable passenger and parcel services. We comply with the principles of sustainable development in respect of the environment, people, the economy and society at large.

Active dialogue with our stakeholders and feedback from them are important for our work. We consider the expectations of our stakeholders in our development efforts and decision-making.

Sustainability management

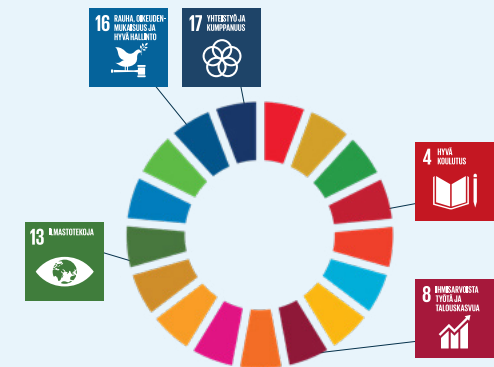
The Matkahuolto Board of Directors adopts the Matkahuolto sustainability programme, its objectives and any amendments made thereto. Progress on the sustainability programme is reported to the Board of Directors on a regular basis. The management team and a number of key employees form the sustainability steering group, which meets on a quarterly basis. The CEO and the rest of the management team confirm the key policies, decide on the implementation of measures and monitor the execution of the sustainability programme and attainment of its objectives. The Legal Affairs and Sustainability Unit is responsible for coordinat-

ing and steering the sustainability programme and for its monitoring and reporting. In practical terms, sustainability is promoted on a mainstreamed basis by various units in the organisation. These are responsible for putting the measures into practice in their respective areas and for integrating sustainability into our business across the board.

We respect internationally recognised human rights in all our operations and ensure that we comply with the principles of the UN Global Compact.

UN Sustainable Development Goals

We promote the UN Sustainable Development Goals. We have selected five Goals and seven subgoals (Targets) that are the most relevant for us. By striving to attain these, we can attain the best possible outcomes, whether by reinforcing the positive impacts of our activities or by preventing their negative impacts on people, the environment, the economy and society at large. This is not to say that the other Goals are unimportant for us, but they are less relevant.



Goal 8: Decent work and economic growth (Targets 8.1 and 8.8)

Goal 17: Partnerships for the Goals (Targets 17.17)

Goal 13: Climate action (Target 13.1)

Goal 4: Quality education (Targets 4.4 and 4.7)

Goal 16: Peace, justice and strong institutions (Target 16.5)



Materiality assessment

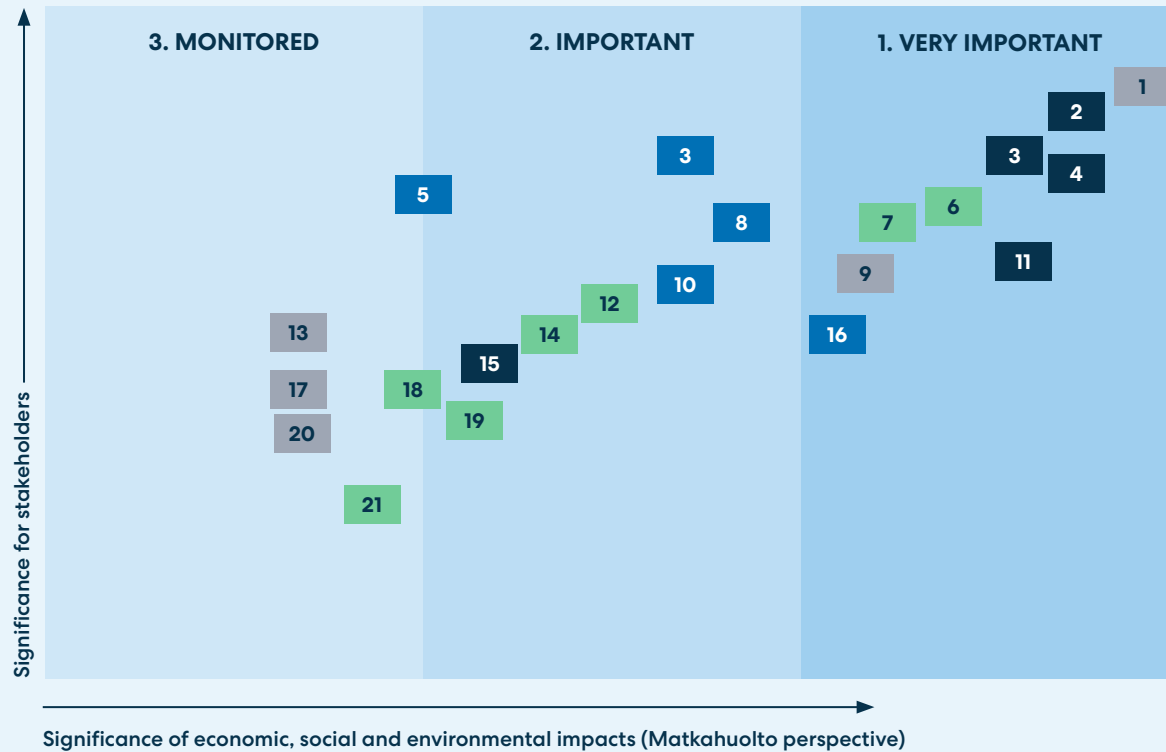
Matkahuolto's first comprehensive sustainability programme was adopted by the Board of Directors in January 2021. This programme is based on a materiality assessment conducted in 2020 that outlined the sustainability themes and goals that are the most

important for us and for our stakeholders, and the indicators used to monitor progress.

The materiality assessment involved examining how important these themes are for our stakeholders and what the economic, social and environmental impacts of our operations are. The purpose of this was to find the themes which we can influence through our actions, which our stakeholders expect us to address

actively, and in which we ourselves particularly wish to promote sustainable development. We identified four themes of major relevance: We look after our employees; We are an attractive partner and service provider; We generate positive environmental impacts; and Our activities benefit society at large.

As part of our sustainability programme, we evaluated all of the UN Sustainable Development Goals and their subgoals (Targets).



- We look after our employees
- Our activities benefit society at large
- We generate positive environmental impacts
- We are an attractive partner and service provider

1.	Promoting environmentally friendly transport solutions	
2.	Ensuring a customer-oriented approach with excellent service and reliability	
3.	Nationwide partner, linker of carriers and promoter of public transport	
3.		
4.	Offering safe and high-quality products and services	
5.	Sustainable business and long-term profitability	
6.	Good corporate culture and governance	
7.	Employee health, wellbeing and safety	
8.	Renewal through sustainable, customer-oriented innovations	
9.	Promoting sustainable mobility and consumption by offering sustainable products and services	
10.	Offering services important for the functioning of society in sparsely populated areas and small communities	
11.	Partnerships and cooperation to promote sustainable development	
12.	Responsible human resources practices	
13.	Increasing the use of renewable energy and energy efficiency in our own functions	
14.	Skills improvement and training	
15.	Sustainable delivery chain management	
16.	Compliance with regulations and ethical business principles	
17.	Circular economy, including efficient waste management	
18.	Motivation and commitment	
19.	Diversity and equal opportunities	
20.	Developing and adding sustainable, renewable packagings	
21.	Good employer image	



Matkahuolto sustainability programme in 2021

WE LOOK AFTER OUR EMPLOYEES

Theme	Indicator:	Year 2021	Target
We improve our corporate culture and governance	Wellbeing-at-work survey modules, and overall scores in the supervisor survey	3.8	4/5 in 2023
We ensure safety at work	Accident incidence	45.1	40 in 2023 Long-term target: 0 accidents
We look after the health and wellbeing of our employees	Absences due to illness (%)	7.0	5.5 in 2021

WE ARE AN ATTRACTIVE PARTNER AND SERVICE PROVIDER

Theme	Indicator	Year 2021	Target
We are a nationwide partner	More detailed indicator TBD in 2021-2022		
We offer the best service while improving the customer experience	NPS (Net Promoter Score)	Online ticket purchasing 59 Parcel sending 74 Parcel pick-up 75	Continuous improvement

WE GENERATE POSITIVE ENVIRONMENTAL IMPACTS

Theme	Indicator	Year 2021	Target
We promote environmentally friendly transport solutions	Carbon dioxide emissions, CO ₂ e	Scope 1: 771 Scope 2: 1,858 Scope 3: 6,671	Carbon-neutral in all our activities by 2030
We promote a sustainable lifestyle	Regular communications on an annual basis according to the communications plan		Increasing awareness of sustainable lifestyle choices, with particular reference to sustainable mobility

OUR ACTIVITIES BENEFIT SOCIETY AT LARGE

Theme	Indicator	Target
We create economic value (incl. profitability) and ownership value	TBD as part of the strategy and ownership strategy drafting process in 2022	
We comply with regulations and ethical principles in our operations	Percentage of employees trained on ethical guidelines	100% in 2022
	Percentage of suppliers committed to ethical guidelines	100% in 2024



Stakeholder cooperation

Stakeholder	Means of and channels for interaction	Sustainability topics and themes important for the stakeholder	Examples of Matkahuolto measures in 2021
Business customers	Meetings, materials, events, websites, newsletters, surveys, customer feedback	Reliable and quick parcel deliveries. Applying Covid-safe measures in transports and customer encounters. Climate-friendly and environment-friendly transports and services.	Building a new driving system and operating model in order to provide customers with a more expedient and more cost-effective service. Introducing Covid guidelines for parcel deliveries. Promoting carbon-neutrality goal in parcel services.
Consumer customers	Daily customer meetings, customer feedback channels, websites, social media channels, newsletters, surveys, events, consumer surveys	Smooth and simple transactions. Comprehensive timetable information and ticketing. Parcel deliveries that are expedient and affordable and delivered as near as possible. Environment-friendly and recyclable options available in packaging materials. Ensuring safe customer encounters during the coronavirus pandemic.	Further development of the Routes and Tickets app and of call-and-ride services. Introduction of the Parcels app. Environmentally friendly and recyclable Repack package for consumer parcels. Signing for parcel delivery and requiring power of attorney were discontinued during the coronavirus pandemic. Safe distancing was introduced in customer encounters. Customers were informed of shutdowns of service points due to the pandemic.
Owners (carriers)	AGM, briefings, events, newsletters, own extranet, training, surveys	Increasing ownership value. Promoting nationwide public transport. Developing and offering digital passenger and carrier services, and boosting carrier competitiveness. Support and assistance in coronavirus measures and communications during the pandemic.	First in Finland to adopt a national ID-based ticketing and payment system. Planning and offering travel chains, e.g. by expanding the Routes and Tickets app. Compiling Covid guidelines and organising briefings. Reminding carriers of Covid safety measures during the pandemic. Customer satisfaction and sustainability surveys for carriers.
Personnel	Daily dialogue, orientation discussions, team meetings, target and development discussions, personnel surveys, briefings, intranet, other internal communications channels, training	Improving employee skills. Supporting employee wellbeing. Improving working practices. Covid-safe workplace environment.	Introduction of and extensive training for the new MOppi online training platform. Coaching supervisors in coaching leadership practices. Wellbeing programme for supervisors and experts. Ensuring a Covid-safe workplace with various measures. Creating the operating model 'The way we work' and facilitating remote work for employees also in the future.
Suppliers and other partners	Meetings, events, newsletters, surveys, training	Stable business. Continuity. Clear cooperation models. Reliability of delivery and short delivery times. Promoting measures consistent with sustainable development.	Improving reliability and speed of deliveries through a hybrid model. Continuous process development with partners. Introducing an energy-efficient sorter at the new logistics terminal. First electric delivery van for parcel deliveries.
Authorities and other public bodies	Meetings, events, surveys, external communications	Improving the digital competence of carriers and developing digital services. Simplifying complex transport arrangements with modern ticketing systems. Nationwide functionality of ticketing system. One-stop shop for public transport routes and services. Cost-effective services with consideration for climate and environment aspects.	First in Finland to adopt a national ID-based ticketing and payment system. Expanding call-and-ride services. Exploring the views of various stakeholders in order to preserve interchangeability of tickets nationwide.
Organisations and educational institutions	Websites, events, surveys	Remotely controlled ticket store services. Route planner services.	Studies in respect of enabling remotely controlled ticket store services. Offering an online route planner service.
Media	Events, meetings	Responding to questions about our operations, finances, consumer needs and Covid measures.	Active media briefings and responding to journalists' inquiries.



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PERSONNEL



We look after our employees

The core of our leadership goals and our activities is in the competence, wellbeing and performance of our personnel, who are managed skilfully and with a coaching approach. We wish to create an encouraging and fair workplace environment with a strong team spirit and transparent interaction.



We offer regular training for improving occupational skills, for instance via the MOppi online training platform.

In the year under review, we invested heavily and proactively in support for our personnel in the interests of their wellbeing and coping. Challenges were imposed by continuously escalating demands of working life, further exacerbated by the coronavirus pandemic and the extensive process of change ongoing in our company. Responding to challenges with wellbeing and coping requires our supervisors to have the capacity both to manage themselves and to support their employees so that all challenges remain manageable and sufficient recovery time is allowed.

Sleep and recovery were main themes for the year

Key themes in wellbeing and coping for 2021 were sleep and recovery. A talk on these was given as part of supervisor coaching and offered to all employees in the intranet. Also, all employees were offered a course on the effect of good sleep on job performance and everyday exercise were covered in supervisor coaching sessions.

In a wellbeing pilot launched towards the end of the year, all supervisors and employees in expert duties were sent a resource survey to chart their workload and risk of overloading. Our occupational health care reviewed the responses and issued invitations to a Firstbeat Life wellbeing analysis to persons who, on the basis of the survey results, might benefit from it. These persons were given a Firstbeat measuring device for six months. The device analyses heart rate variability (HRV), allowing monitoring of stress levels, sleep and mobility and generating a report on recovery. The Firstbeat programme will continue in 2022 with group coaching and interviews with a psychologist.

Flexible operating models to enhance coping

We offer flexible working templates suitable for various life situations in order to support our employees in balancing work and free time. If an employee's working capacity is compromised, we agree on an adjustment of the job duties or working hours of the employee in question a fixed period. We also offer extensive potential for remote working within our operating model 'The way we work'.

A procedure to support recovery is in place throughout the organisation for responding to situation where an employee's

workload threatens to cause a burnout or has already led to sick leave. By shortening working hours or lightening job duties, we aim to restore the working capacity of such employees and to bring their workload to a level at which they are able to continue working.

In addition to occupational health care services, we support employee wellbeing and coping for instance with an early intervention model to proactively identify problems potentially undermining working capacity, with an intoxicant abuse programme, with mental health support services and with employee benefits and campaigns designed to encourage healthy lifestyle choices.

Occupational safety and health prominently featured

As the coronavirus pandemic continued, we paid particular attention to the health and safety of our employees. Our practices in this respect were characterized by the fact that about 80% of our personnel work in production where remote work is not an option. Thus, wearing face masks and being diligent about hygiene are the key ways for avoiding contagion.

In 2021, absences due to illness among our personnel increased on the previous year, to 7%. Our target is to bring absences due to illness down to 5.3% by 2024.

We wish to ensure a safe workplace environment for all employees by advising and encouraging them to observe safety practices, to use safety-improving tools, to avoid risk situations and to attend safety training that we arrange. In 2021, we held an online course on occupational safety in production, and at the beginning of 2022 we introduced the Riskipulssi occupational safety app developed by the LähiTapiola insurance company. With this app, our employees can enter notifications of occupational accidents and near misses. The observations submitted are followed up, and the occupational safety management group decides on measures to be taken.

Our target is to reduce the incidence of occupational accidents every year, the indicator being the incidence of accidents per one million hours worked, Total Recordable Injury Frequency (TRIF).

In 2021, TRIF stood at 45.1. We aim to reduce TRIF to 40 by 2023 and, in the long term, to prevent occupational accidents altogether.



MOppi online training platform introduced

By offering regular occupational training, we wish to ensure that our employees continue to have good occupational skills while also having a wide range of opportunities for learning and personal improvement in view of career path development. We consider the expectations and demands of our customers, partners and society at large in the design and delivery of training.

In 2021, we introduced the Coaching leadership supervisor training sessions, which are continuing in 2022.

In spring 2021, we introduced the MOppi online training platform, with content addressing production duties, supervisors' management of working capacity, occupational safety, and so on. The MOppi online training platform training sessions are principally produced in-house, but some have been commissioned from external suppliers. By the end of 2021, some 1,500 session completions had been recorded, and the scores were good (more than 4/5 on average).

Diversity and equality are key principles in our workplace community

We wish to ensure a workplace community where everyone is treated equally and fairly. We treat everyone on an equal basis without regard for gender, age, ethnicity, sexual orientation or any other personal characteristic, and we have a zero tolerance policy for discrimination, harassment, abuse or inappropriate behaviour under any circumstances.

We wish to offer our employees equal opportunities for performing well and improving at their jobs. Our equal opportunities policy is apparent in our recruitments, job assignments, career progression and diversity of job duties.

Our personnel is diverse and multicultural. In order to be better aware of, to better understand and to better make use of the diversity of views and skills of our diverse employees, we are making diversity our special theme for 2022. We wish to make diversity an essential part of our operating principles, day-to-day activities and leadership across the organisation.

Matkahuolto partnered with Helsinki Pride

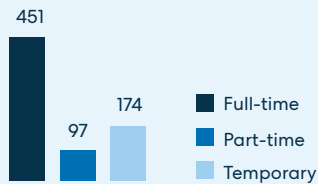


Matkahuolto was an official partner of Helsinki Pride, Finland's largest human rights and culture event, in 2021. The purpose of Helsinki Pride is to eliminate inequalities in culture and language and in the structures, values and norms of society at large.

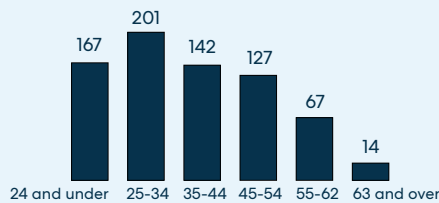
We partnered with Pride because we wish to support the promotion of equality, non-discrimination and human rights. Diversity and equality are important values in our workplace community as well. It is important that everyone can be themselves and feel safe and appreciated in the workplace.

Helsinki Pride Week was held from 28 June to 4 July 2021. Because of the coronavirus pandemic, the week was celebrated in hybrid events, with virtual participation available in addition to attending in person. In order to raise consumer awareness of the important message of Pride, we featured the event extensively in our channels and offered a package discount for the week.

Forms of working hours for personnel (persons)



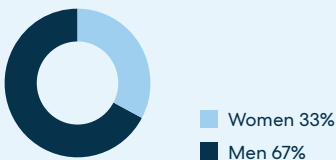
Age distribution of personnel (persons)



Number of training sessions per year

Total **1,848** of which
1,486 internal (MOppi) and external online training sessions
79 internal and external classroom and Teams training sessions
 MOppi online training platform had **22** online courses available

Personnel gender distribution, %
Personnel total 718



Board of Directors gender distribution, %
Board of Directors 12 members



Management team gender distribution (%)
Management team 10 members





PARTNERSHIPS



We are an attractive partner and service provider

We reinforce our partnerships and help carriers to improve their operations and sustainability. We focus on sustainable delivery chain management and improving the customer experience.



From the start, our core mission has been to cater to bus and coach operators as a service and marketing company.

While that remains our core mission, growth and digitalisation have led to us offering a far wider range of travel, transport and logistics services, besides a digital interaction and collaboration platform for an extensive network of operators.

Our partners include not only carriers but also officials, local authorities and business customers such as online stores. We bring operators together through our network, allowing services to be developed and provided both nationally and locally. We intend to further extend and intensify our cooperation with our current partners and with potential new ones.

Enabler and developer of nationwide transport and logistics services

Our operating model, which involves carrying people and parcels at the same time, is unique. It reduces environmental impacts and enables us to keep our services available everywhere in Finland. Our purpose is to continue to promote public transport



We further developed the Matkassa service package designed for carriers.

through our operations and to support the vitality of sparsely populated areas.

To this end, we continued to improve our digital solutions and service network in the year under review. Among other things, we adopted a national ID-based ticketing and payment system. This provides passengers with simplified digital mobility services and carriers with significant business support. In logistics services, we further expanded our network of service points, enhanced our transport network and invested heavily in improving our production network so as to better serve our customers in all of Finland.

Sustainability is a key principle in our network of cooperation

It is important for us that not only we ourselves but also our partners and suppliers comply with the principles of environmental, economic and social responsibility in their operations.

In 2021, we circulated a sustainability survey among carriers to explore their views on sustainability and their interest in collaborating to promote sustainable development. We also wished to identify carriers' needs for collaboration in sustainability matters. The survey provided us with guidelines for developing carrier-oriented sustainability services. Sustainability training and emissions reporting were identified as topics of particular interest for carriers.

Porvoon Kyläkytyi is a modern call-and-ride service

A call-and-ride service as offered by Matkahuolto to local authorities is a modern and cost-efficient way of revitalising the public transport network and of improving residents' mobility. Our service



platform allows for call-and-ride services and travel chain solutions to be seamlessly linked to public transport.

One of our first call-and-ride services is Porvoon Kyläkytyi, launched in cooperation with the City of Porvoo in 2020. Kyläkytyi provides a service between the city centre of Porvoo and outlying areas. Users can book a ride with this service provided by the City of Porvoo in our Routes and Tickets app or by phone, for door-to-door transport.

Porvoon Kyläkytyi and our Routes and Tickets app won silver in the public vote for 'Sustainable act of the year 2021' held by the Central Chamber of Commerce. "Kyläkytyi has allowed us to resolve the issue of low public transport availability in sparsely populated areas and to reduce dependency on private cars in Porvoo."

- Hanna Linna-Varis, Head of Traffic Planning, City of Porvoo



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CLIMATE AND ENVIRONMENT



We generate positive environmental impacts

We invest in environment-friendly transport solutions in Parcel Services and focus on resource efficiency in all other operations as well. We support sustainable lifestyle choices among consumers by raising public awareness of public transport and encouraging its use.



Because the majority of our emissions are generated by Parcel Services transports, we can most effectively reduce our emissions by reforming our transport solutions. Key means for achieving this include increasing low-emission and carbon-neutral transports, optimising routes, adopting more ecological driving behaviours, and combining shipments.

As part of our 'Matkahuolto carbon neutral 2030' roadmap, in the year under review we investigated means for reducing emissions and their effectiveness. On the basis of this investigation, we drew up detailed plans and targets for emission reductions.

Progress in transitioning to electric vehicles and in transport optimisation

We introduced our first electric delivery van in the Helsinki metropolitan area in late 2021, and we will increase the number of electric vehicles in our fleet in 2022. In order to find the best option for our needs, we monitor developments in electric vehicles closely and engage in active dialogue with automotive manufacturers and resellers.

In all our procurements and selection of transport partners, we consider efficiency of resources, minimisation of emissions and sustainable use of natural resources.

We also focus on transport route optimisation, capacity use optimisation and combining shipments. In 2022, we will pilot a new dispatching system and train our drivers in ecological driving behaviours. Some of our parcels are carried on buses along with passengers, leading to better resource use and lower environmental impacts than with dedicated parcel transports. The resulting positive climate impact, or carbon handprint, helps us combat climate change.

Enhanced waste sorting and recycling and reuse of packaging materials

We wish to improve the resource efficiency of our operations and to promote the circular economy by optimising use of materials and recycling. In 2021, we outsourced our waste management to

Lassila & Tikanoja, and with this centralised solution our monitoring of waste sorting and recycling has improved. We will continue to collaborate to further improve this performance.

In Parcel Services, our customers – online stores, other businesses and consumers – are largely responsible for selecting packaging materials and for packing the parcels to be transported. We encourage them to use recyclable packaging and to pack their parcels as densely as possible. We also aim to do this in our own operations. We will be training our employees in waste sorting and recycling during 2022.

In 2020, we began offering customers the option of selecting RePack packaging for their parcels, in order to reduce the volume of packaging material waste. RePack is a packaging system developed by the Finnish company Original Repack Oy. Made of recycled polypropylene, their packages can be used for dozens of cycles of shipments. The RePack system was originally developed for the use of online stores, but Matkahuolto offers reusable RePack packages for anyone in Finland to use for their personal parcels.

We promote a sustainable lifestyle

Private cars generate a substantial percentage of the carbon footprint of Finns. We promote demand for public transport by offering customers nationwide timetable and ticketing services and by developing digital services that make it easier to use public transport, such as our travel chain and call-and-ride schemes. With these services, we aim to make public transport a genuinely competitive alternative to private cars.

With regular publicity about the benefits of public transport, we aim to increase public awareness of sustainable mobility, to influence images and attitudes related thereto and to change citizens' behaviour in favour of environmentally friendly public transport.

Carbon roadmap in preparation



As part of our sustainability programme, we have set ourselves the ambitious goal of our own operations and Parcel Services being carbon-neutral by 2030.

In 2020, we investigated the emissions from our operations and developed an emissions calculator with Gaia consultants. In the year under review, we began analysing means available for reducing our emissions and began to prepare a roadmap to carbon neutrality. In this project, we are timetabling our emission-reducing measures up until 2030 and determining the carbon-neutral transport services to be offered to customers.

Because the majority of our emissions are generated by Parcel Services transports, we can most effectively work towards carbon neutrality by promoting low-emission and emission-free transports. Other means include adopting more ecological driving behaviours, optimising routes and combining shipments.



Carbon footprint in 2021

Emissions calculation delimitation

The carbon footprint of Matkahuolto as a whole was calculated using the Greenhouse Gas (GHG) Protocol. The calculation also included the Corporate Value Chain (Scope 3) standard and complementing instructions. At the moment, our emissions calculation only covers our domestic parcel services. Our emissions calculation has been confirmed as correct by an independent appraiser, Gaia Consulting.

In 2021, we publicly reported the following GHG emissions:

- Scope 1: GHG emissions from own operations (production vehicles and company cars)
- Scope 2: Indirect GHG emissions (electricity and district heating used in own operations)
- Scope 3: Other indirect GHG emissions (transports and deliveries, fuel production and energy transmission losses, packaging materials, business travel).

Scope 3 emissions were selected for reporting according to their relevance. In addition to the items reported in the previous year, we reported on fuel production and energy transmission losses. For the moment, we are not including cost-based procurements in the Scope 3 reporting, but we aim to add them to the calculation for 2022. In any case, this category is included under emissions from our own operations in respect of attaining our carbon neutrality goal. As part of our first broader emissions calculation, we also evaluated other indirect emissions that were excluded from public reporting for the time being. These emissions were those that did not play a major part in our operations and/or where the emission levels were low. Emissions in many categories are based on estimates only. Emissions from passenger services were also evaluated as part of our first emissions calculation, but they are not included in our Scope 3 emissions as such. In passenger services, Matkahuolto is a ticket sales channel for bus and coach operators; we do not ourselves operate passenger services. However, we do consider it important to promote reduction of emissions in passenger services in our value chain, in cooperation with carriers. We aim to improve our reporting on categories under Scope 3 going forward.

We used the following sources for emissions coefficients in our calculation:

- Fuels: Greenhouse gas reporting: conversion factors (Defra)
- Electricity and district heating: Energy companies, Energy Authority, Statistics Finland
- Business travel: Liikennefakta, Exiobase, Greenhouse gas reporting: conversion factors (Defra)
- Packaging materials: Greenhouse gas reporting: conversion factors (Defra), RePack

Emissions calculation results

In 2021, our carbon footprint amounted to about 9,300 tCO₂e (7,772 tCO₂e in 2020), with absolute emissions from our own operations (Scope 1 and Scope 2) being about 2,629 tCO₂e (1,775 tCO₂e in 2020) and absolute emissions from other operations (Scope 3) being about 6,671 tCO₂e (5,997 tCO₂e in 2020).

The increase in absolute emissions from our own operations is explained above all by the fact that we were able to obtain data for electricity and heating consumption at our properties in more detail and revised our estimates on the ceiling heights of our logistics centres. We also acquired more floor area in properties in the course of the year, for instance because of opening the large logistics centre on Mantaalitie in Vantaa towards the end of the year. We use 100% renewable energy at all locations where Matkahuolto has a direct electricity agreement. This accounts for about 40% of our total consumption. We aim to continue to increase the percentage of renewable energy in the future.

The increase in the volume of parcel deliveries had the effect of increasing absolute emissions in other operations compared to the previous year, due to subcontracted transports and packaging materials. There was also a considerable increase in the amount of energy purchased. By contrast, emissions decreased in business travel, because business travel continued to decline due to the coronavirus pandemic.

Emissions per parcel

Our TTW emissions per parcel in 2021 were 380 gCO₂e per parcel (392 gCO₂e per parcel in 2020). In 2021, we updated the fuel coefficients to correspond to the British Defra conversion factor commonly used in the sector; this also accounts for other greenhouse gases

besides carbon dioxide, converting their emissions into a comparable volume of carbon dioxide. The change in the coefficients applied had the effect of increasing emissions per parcel due to fuel use by 12% on the previous year, even though in actuality our emissions per parcel went down.

Our calculation of the footprint of Parcel Services is compliant with the SFS-EN 16258 standard, Methodology for calculation and declaration of energy consumption and GHG emissions of transport services (freight and passengers), published in 2014. The SFS-EN 16258 standard does not account for carrying freight on passenger buses. Therefore, emissions for parcels carried on buses are determined on the basis of the increase in emissions that they cause. Emissions caused by the increase in fuel consumption caused by the parcels are allocated to the parcels. Simulation calculations performed by an external party are used to determine the increase (%) in fuel consumption.

TOTAL EMISSIONS (TONNES OF CO₂e)

	2021	2020
Direct emissions (Scope 1)	771	844
Own vehicles (transports, company cars)	771	844
Indirect emissions (Scope 2)	1,858	931
Purchased electricity (market-based)	1,034	519
- Purchased electricity (location-based)	891	587
Purchased district heating (market-based)	824	412
- Purchased district heating (location-based)	835	446
Indirect emissions (Scope 3)	6,671	5,997
Transports and deliveries (subcontracted transports)	5,811	5,479
Fuel production and energy transmission losses	789	447
Packaging materials	32	15
Business travel	37	56

* The combined emission figures are derived from the market-based emission figures for electricity and district heating. The figures are rounded.

* Fuel emission coefficients were replaced in 2021 with the Defra conversion factors (UK), which account for other GHGs besides carbon dioxide. As a result, the calculated emissions from fuel use increased. The coefficients were recalculated for the 2020 data.

* The calculation does not include cost-based purchases.

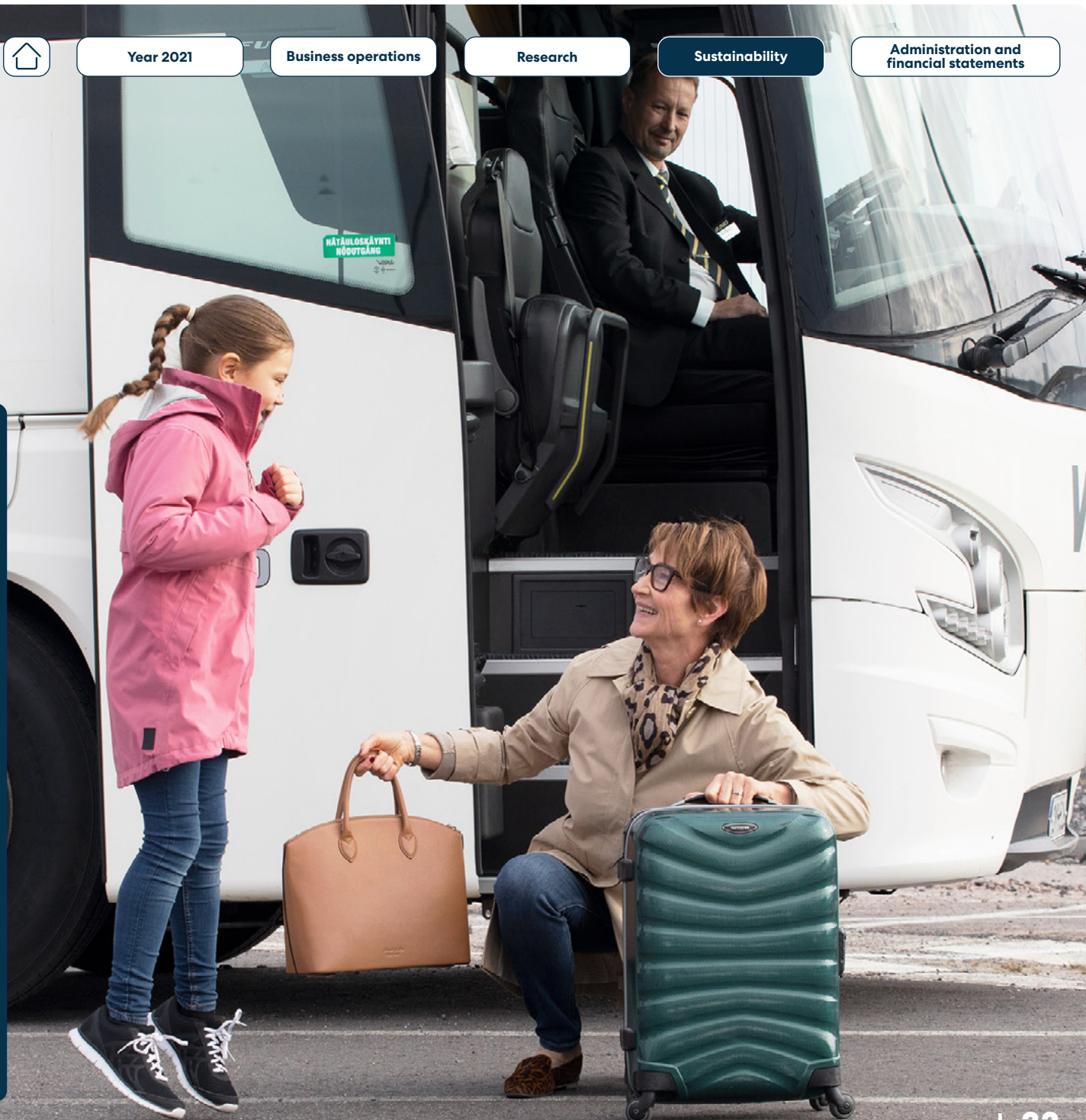


SOCIETY AT LARGE



Our activities benefit society at large

Our activities have societal significance beyond their direct impacts, for instance through our impacts in promoting public transport and the business operations of our partners. Everything we do is governed by the relevant legislation, regulations and guidelines and by our ethical principles.





Our aim is for our business to be economically profitable in the long term. This will ensure the continuity of our operations and our potential for providing employment and making investments, and also for generating added value for our owners and for society at large. We seek profitability by promoting sustainable business operations.

It is also important for us that our business operations generate value for society at large beyond their direct impacts. Through our nationwide network, our operations are of considerable economic significance to Finland as a whole nationally as well as to its various regions locally. We promote positive economic trends and help our partners promote their business through our network. We indirectly employ a large number of Finnish entrepreneurs, such as carriers and agents, who are significant operators in their respective areas.

Sustainably produced public transport and parcel services across Finland

By offering comprehensive and smoothly running transport services, we encourage the use of public transport and hence sustainable mobility everywhere in Finland. We are strongly in favour of preserving national coverage in the transport network, because transport connections are important for keeping sparsely populated areas and small communities inhabited and viable.

We aim to increase the number of tickets we sell, year on year, by improving the matching of supply and demand and by increasing the capacity use of transport services. In 2021, we sold 7 million tickets. As in 2020, because of the coronavirus pandemic, passenger numbers were much lower than in the pre-coronavirus year of 2019, when we sold 13 million tickets.

In 2020, we introduced the Routes and Tickets app, the first nationwide travel chain application. In 2021, the app was extended to include VR train tickets and water transport tickets in addition to long-distance and local road transport. The app

now covers more than 95% of all scheduled public transport in Finland, and our aim is to include all public transport nationwide. The app will also help revitalise public transport in sparsely populated areas, where public transport services have been declining in recent years and as a result the use of private cars has been increasing.

A call-and-ride service as offered by Matkahuolto to local authorities is a modern and cost-efficient way of revitalising the public transport network and of improving residents' mobility.

In Parcel Services too, our aim is to provide a smoothly running and comprehensive national service network that is near all Finns. Our service point network currently has more than 2,000 service points, more than 700 of which are parcel machines. Our aim is to have at least 1,000 parcel machines in our network by the end of 2022.

We are committed to complying with legislation and regulations and with high ethical standards

We comply with all applicable legislation, regulations and guidelines in our operations. In 2021, we published a Code of Conduct for in-house use. We intend to publish a Code of Conduct for our suppliers and partners in 2022, and we expect them to commit to complying with it.

In 2022, we are arranging training sessions on the Code of Conduct for our employees. We aim to ensure that all our employees follow the same rules and ethical principles, and we will not tolerate abuse. We will process and investigate any breaches of procedure as appropriate. In 2021, we opened a Whistleblowing channel for reporting abuses.

We regularly assess the risks in our operations and their likely consequences. Sustainability risks are included in our risk management.



Introducing the Code of Conduct

The new Matkahuolto Code of Conduct was adopted by the Board of Directors in December 2021. It is a compilation of the key principles which the company is expected to abide by in its operations and which all employees must comply with. The Code of Conduct communicates to our stakeholders that the company and our employees are committed to sustainable practices.

With the Code of Conduct, we undertake

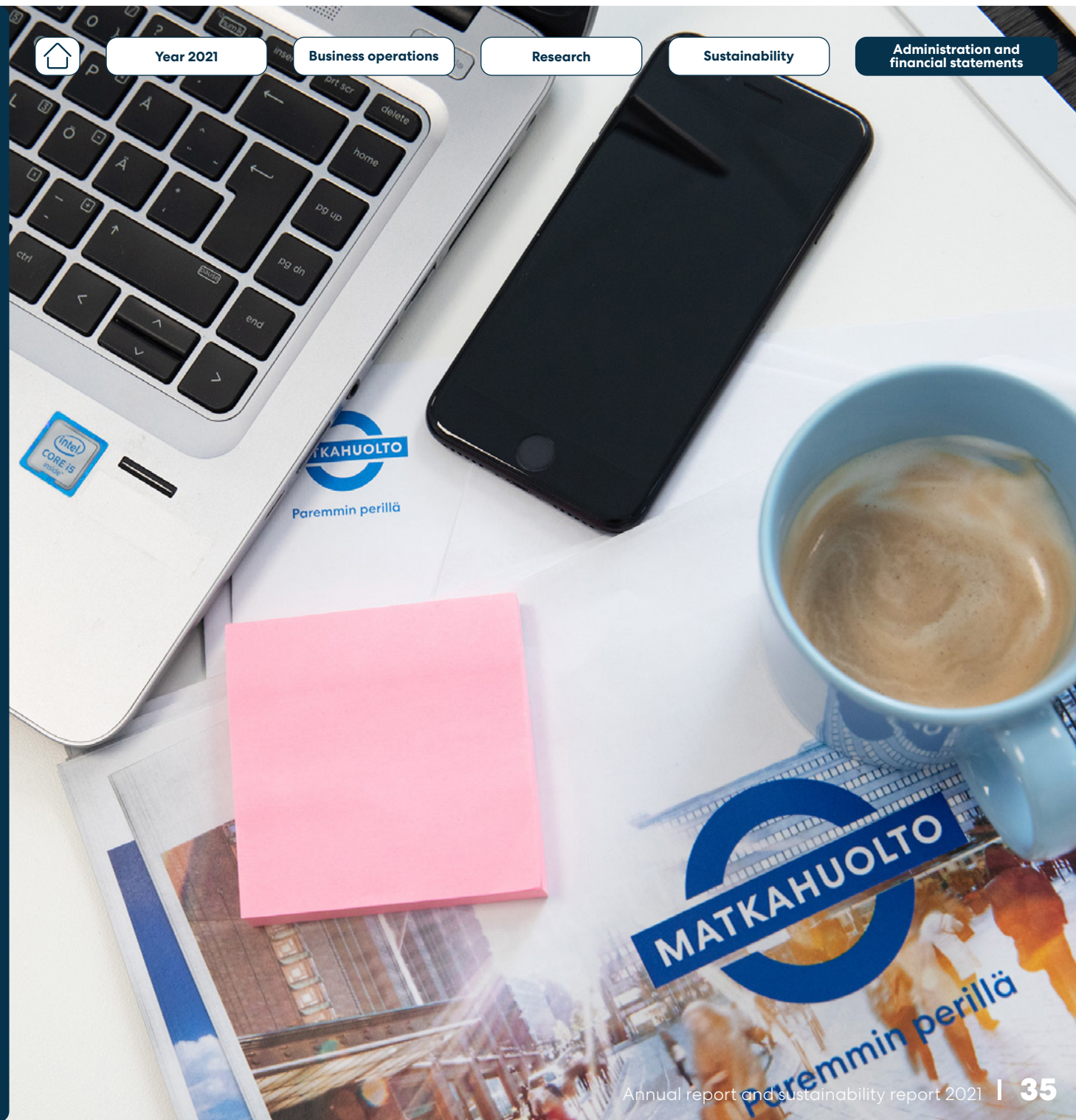
- to carry on our business in an honest and ethically acceptable manner and to observe our values in our day-to-day work,
- to comply with all legislation and regulations applying to our operations,
- to fulfil the requirements of the UN Global Compact,
- to require our partners to likewise comply with legislation, respect human rights and the rights of their employees and consider the environmental impacts of their actions,
- to remain politically unaffiliated.

The Code of Conduct was presented to personnel in February 2022, and a related training session will be posted on the MOppi online training platform in spring 2022.



Focus areas:
service development and
sustainable and
ethical operations

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Management team



Janne Jakola
CEO



Johanna Haanpää
Director of Customer Experience and Marketing



Riku Korpela
General Counsel



Hanna Laakso
HR Manager



Leila Lehtinen
Director, Passenger and Carrier Services



Teemu Naatula
CFO



Kati Nevalainen
Director, Parcel Services and service point network, Production



Juha-Pekka Pirvola
Sales Manager



Mika Rajanen
Director, ICT, Digitalisation and Project Management Office



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Board of Directors



Raija-Leena Söderholm
Chair



Johanna Lehtonen
Deputy Chair



Harry Linnarinne



Terhi Penttilä



Risto Pekola



Matti Viialainen



Report of the Board of Directors 1 Jan 2021 – 31 Dec 2021

Matkahuolto is a Finnish service and marketing company, offering customers – consumers, businesses, communities and carriers – modern services for passenger transport, goods transport and logistics that carry people and parcels quickly and easily to everywhere in Finland.

In recent years, Matkahuolto has invested heavily in service development. The company wishes to offer customers the best customer experience in the sector as regards the planning, buying, paying for and monitoring of travel and transport.

Sustainability has always been at the core of the Matkahuolto business model. The company promotes public transport and, with a service network covering all of Finland, contributes to the viability of sparsely populated areas and supports local entrepreneurs. The Matkahuolto operating model, which involves carrying people and parcels at the same time, is unique. It reduces environmental impacts and enables the company to keep services available everywhere in Finland. As part of the new sustainability programme adopted in January 2021, Matkahuolto has set the goal of becoming carbon-neutral by 2030.

The Matkahuolto Group consists of the parent company, Oy Matkahuolto Ab, its fully owned subsidiary Trimico Oy and five fully or partly owned real estate subsidiaries.

Events during and after the period under review

The coronavirus pandemic continued to have substantial impacts on operations in 2021. However, it had a very different impact in each of the company's two business areas. In Parcel Services, the market continued on a robust growth track, and the business experienced a positive development. For Passenger and Carrier Services, the year under review was difficult just as the previous one had been, as public transport volumes and passenger num-

bers remained low. Passenger numbers in bus transport remained as much as 50% to 60% below pre-pandemic levels. Since many carriers saw their income fall under the profitability threshold in market-driven services, the government has stepped up the volume of subsidised services, which thus now accounts for a larger percentage of the overall volume than before.

Despite the challenging market situation, Matkahuolto continued to make significant investments in improving Passenger and Carrier Services. During the year, a nationwide ID-based ticketing and payment system was introduced and the Routes and Tickets service, introduced in the previous year, was expanded to cover more than 95% of all scheduled public transport in Finland. Call-and-ride services for sparsely populated areas were also expanded. Matkahuolto continues to develop digital services to make the use of public transport easier and to support and reinforce its competitiveness.

In Parcel Services, Matkahuolto strengthened its position as Finland's second-largest parcel logistics operator. As the coronavirus pandemic continued to boost domestic online shopping and peer-to-peer trading, the parcel services market in Finland grew by 20% by our estimate in the year under review. As in the previous year, the most robust growth among Matkahuolto Parcel Services deliveries was seen in online shopping and peer-to-peer trading deliveries, where the volume increased by more than 30%. However, the overall volume of Parcel Services deliveries remained at the previous year's level, because in accordance with its strategy the business area abandoned certain functions as their agreement periods expired, including local deliveries that are separately time-tabled or require special handling.

Matkahuolto made significant advances in increasing the volume of international parcels in the service network by adding

to the service portfolio. A new Parcels mobile app for consumers was introduced to respond to an identified customer need. Although the growth of online shopping has been a significant factor in Matkahuolto's robust growth, what is even more important is that the public recognition of and images associated with Matkahuolto have improved considerably. Market research confirms that Matkahuolto has risen to the top as regards customer experiences and parcel deliveries among all transport enterprises. This demonstrates that the company's investments in improving the customer experience, in digitalisation and in accessible services with nationwide coverage have been correct and successful.

In addition to service development, Matkahuolto invested heavily in improving the production network in Parcel Services in the year under review. In Seinäjoki, Tampere and Vantaa, the business area relocated into completely refurbished premises. At the Vantaa terminal, a modern sorting machine was introduced that allowed more efficient handling of large quantities of parcels. The competitiveness of deliveries in online shopping and peer-to-peer trading was also improved, with the introduction of a new operating model to optimise the use of buses and lorries in parcel deliveries. Matkahuolto further expanded the service point network to include more than 2,000 service point by the end of the year under review.

Financial performance

The expectations of Matkahuolto for 2021 were twofold. In Parcel Services, robust growth was expected to continue along with improved profitability, but in Passenger Services the impacts of the pandemic and travel restrictions were expected to persist, and consequently the financial prognosis was very cautious.



The consolidated turnover increased slightly on the previous year, to EUR 95.2 million (92.3 million). In Parcel Services, as per the strategy, the focus remained on transports where the volume of parcels delivered continued to grow faster than the rest of the market. A non-recurring income item was recognised in excess ticket revenue, which had a positive impact on turnover.

The Group declared an operating loss as opposed to a profit in the previous year, EUR -2.6 million (0.1 million), with the loss for the financial year being EUR -2.0 million (1.6 million). The coronavirus pandemic caused considerable loss of income in the year under review as well as in the previous year. At the end of the period under review, Matkahuolto made its most significant investment in recent history with the opening of a new logistics centre in Vantaa. The changes and reforms to production processes required by the startup of the new centre weakened the company's financial performance in the year under review. The centre is expected to be fully up to speed during the first quarter of the current year. Non-recurring income from excess tickets was recognised at EUR 2.6 million (1.8 million). Comparability of financial performance in the year under review with the previous year is affected by profit from the sales of real estate (c. EUR 4.6 million) and write-offs of investments and non-current assets outside of the core business (EUR 0.7 million).

At the end of the period under review, the business operations of the Group mainly consisted of the business operations of the parent company. The loss declared decreased the Group's equity, but liquidity remained good. The Group's liquidity benefits significantly from improved operational efficiency and changes in ticket debts recognised under liabilities.

In the period under review, Matkahuolto continued to invest heavily in business development and digitalisation. Investments during the financial period increased to EUR 5.4 million (3.8 million).

Number of personnel on average, full-time equivalents	2021	2020	2019
Group	593	599	625
Parent company	593	577	588

Salaries and fees during the financial period (EUR million)	2021	2020	2019
Group	22.0	21.6	23.2
Parent company	22.0	21.4	21

Indicator	Group			Parent company		
	2021	2020	2019	2021	2020	2019
Turnover (EUR million)	95.2	92.3	98.4	95.2	91.8	97.6
Change in turnover (%)	3.2	-6.2	8.1	3.7	-6.0	7.9
Operating profit/loss (%)	-2.7	0.1	-1.1	-2.9	-0.3	-0.2
Return on equity (%)	-37.3	24.8	-20.9	-37.4	-16.8	-7.6
Return on capital employed (%)	-33.3	25.7	-21.1	-33.7	-16.5	-7.4
Equity-to-assets ratio (%)	14.4	21.2	18.5	15.9	23.3	23.1

Personnel

As at the end of 2021, Matkahuolto had 722 employees (718). The personnel trend, converted into full-time equivalents, is shown below in the table 'Number of personnel'.

The average age of employees as at the end of 2021 was 38 years (36). The number of absences due to illness increased on the previous year, and the absence rate rose to 7.0% (5.7%). The accident incidence was 45 (63), and the target for the year to reduce this figure to below 55 was thus attained. The long-term target is zero accidents.

The goal of management of wellbeing at work at Matkahuolto is the competence, wellbeing and performance of the personnel, who are managed skilfully and with a coaching approach. In 2021, personnel training focused on online training with the introduction of the new MOppi online training platform.

Sustainable development

Matkahuolto published a sustainability programme in spring 2021. The programme is rooted in the UN Sustainable Development Goals that are relevant for the company and whose attainment can be influenced through the company's activities. Measures under the sustainability programme were undertaken in all four areas of the programme in 2021. The Board of Directors monitors progress with the programme.

The new Matkahuolto Code of Conduct was adopted by the Board of Directors in December 2021. Its purpose is to establish a shared understanding of how to act in respect of various ethical issues and what actions are unacceptable. The Code of Conduct will be used to prepare a separate Code of Conduct for Matkahuolto suppliers and partners, and they will be required to commit to that Code of Conduct. In 2021, Matkahuolto also introduced a Whistleblowing channel for reporting abuses.

A sustainability survey was circulated among carriers to explore their views on sustainability and their needs and interest in collaborating to promote sustainable development. Feedback received from carriers will be used as input in improving sustainability services.



Matkahuolto started work on a carbon roadmap to design measures and to set interim goals for achieving carbon neutrality by 2030. The carbon roadmap will be completed in early 2022. In the emissions calculation for 2021, Matkahuolto emissions per parcel showed a falling trend at 380 gCO₂e (2020: 392 gCO₂e). Because the majority of Matkahuolto emissions are generated by Parcel Services transports, the most effective way of reducing emissions is by reforming the company's transport solutions, for instance by optimising routes or by investing in low-emission vehicle stock. In 2022, the company will invest in a new dispatching system and electric vehicles.

Operating risks and uncertainties

Risk management forms part of the system of continuous planning and management at Matkahuolto. Key risks are hedged against with action plans according to which systematic measures are taken to reduce the likelihood of these risks actualising and to mitigate their potential consequences.

The coronavirus pandemic realised a business risk in Passenger and Carrier Services, as passenger numbers collapsed abruptly and for an indefinite period of time for external reasons. If the pandemic does not subside due to vaccinations and other measures, its prolongation may cause substantial financial challenges particularly to bus and coach entrepreneurs but also to the business of Passenger and Carrier Services. In the most serious scenario, a prolonged pandemic may challenge the continuity of operations of some public transport operators, which in turn may have negative impacts on the nationwide bus transport network. These trends may cause long-term changes in the market structure that will hinder the recovery of nationwide scheduled public transport and will therefore have a substantial impact on the current structure of Passenger and Carrier Services and on its financial prospects. However, such a scenario does not pose a threat to the overall financial performance or liquidity of Matkahuolto, because Parcel Services is expected to continue on a robust upward trend.

Strong market growth will tighten competition in the parcel business. There are already new, international logistics operators on the market, and technological advancements will bring

smaller operators based in growth centres. Increased competition will have various impacts going forward. It will increase consumer choice and maintain active price competition. On the other hand, new services will enter the market and support the overall growth of online shopping. The tighter competition will have a positive price impact for consumers but will challenge operators to search for more cost-effective operating models.

In Parcel Services, major investments in the production network will continue. The startup of the new logistics centre is a major project. If the startup fails, the consequences may manifest as a lower level of service for customers and partners or as increased financial costs. Similar risks are involved in the operations of essential existing terminals in the production network.

In risk assessment, cybersecurity and information security breaches are identified as key threats for Matkahuolto. At worst, risks in this area may lead to system outages that either prevent product sales or cause production to slow down or halt completely. The company has prepared against these threats with protective measures and by creating a separate information security management model.

Involvement in judicial processes related to business operations and actions in breach of guidelines may cause risks for Matkahuolto. The company regularly evaluates risks involved in compliance with legislation and regulations. The company's status as a consortium of entrepreneurs increases its risk level particularly with reference to competition law. In 2021, Matkahuolto introduced a whistleblowing channel. In early 2022, Matkahuolto published a Code of Conduct and provided employees with training concerning it. Competition law guidelines were also updated.

In accordance with its strategy, Matkahuolto responds to increasing competition on the market by offering new products to cater to current and future needs of customers. The company also continues to document its processes and practices and to improve its operating models so as to cost-effectively respond to customer needs and to reduce the risks involved with key employees and core systems.

Outlook

In sparsely populated areas, passenger numbers and the services offered had been declining for a long time because of urban growth, but the pandemic accelerated this trend considerably. The market shift was so drastic that restoring the service network once the pandemic has died down will probably be a very slow process, even with government subsidies. This will have a significant impact on the business operations of Passenger and Carrier Services. In the current strategy drafting project, Matkahuolto is evaluating its role in serving passengers and carriers in a changed market situation. The strategy will be completed during 2022.

Despite the ebb in travel, Matkahuolto is continuing improvement of Passenger and Carrier Services. The company's key competitive advantage is having a nationwide network that serves as a foundation for designing digital services.

In the past two years, there has been robust improvement in Parcel Services. Matkahuolto continues to develop Parcel Services so as to offer customers increasingly customised services and the best customer experience on the market. By reinforcing its status as the prime partner for domestic online stores, by building customer relations with international online stores and by further boosting its recognition and brand image, Matkahuolto aims to capture a larger percentage of the growing parcel market and to double its transport volume by 2025. The company is striving for these goals by continuing investments in the production network everywhere in Finland and by continuing to expand the network of service points.

Russia's invasion of Ukraine will have an overall impact on the national economy. If the war is prolonged or escalates, the economy may decline quite severely and thus have an impact on Parcel Services too, due to decreased consumer demand and challenges with global delivery chains. Although travel is expected to pick up starting in 2022, the volume of passenger transport will probably remain very low this year. Long-term trends such as increasing environmental awareness and growing online shopping support the company's expectations in both the demand for public transport services and the growth of Parcel Services. Having two distinct



business operations that nevertheless have synergies has proven to be a vital benefit in these extraordinary times. Matkahuolto turnover growth is expected to continue at a moderate rate. Profit projections are uncertain due to the global situation, but the company expects to declare a profit for 2022. The key factors underlying this improvement are continued turnover growth and improved operational efficiency.

Company shares

The company shares are distributed as follows:

Qty	2021	2020
Category A shares (20 votes per share)	297,117	297,117
Category B shares (1 vote per share)	4,442,397	4,442,397

All shares grant equal rights to dividends and company assets.

If a share is transferred to a party that is not already a shareholder in the company, any shareholder with category A shares shall have the right of redemption in respect of any category A shares thus transferred, and any shareholder with category B shares similarly in respect of any category B shares thus transferred.

The company holds none of its own shares.

Administration

The members of the company's Board of Directors were:

Raija-Leena Söderholm	Chair
Johanna Lehtonen	Deputy Chair
Harry Linnarinne	
Risto Pekola	
Terhi Penttilä	
Matti Viialainen	

The Board of Directors met 12 times in 2021 (2020: 11 times). The attendance rate at meetings of the Board of Directors was 98.6%. The CEO of the company is Janne Jakola.

The company's auditors are the auditing firm Pricewaterhouse Coopers Oy, with Enel Sintonen APA and Mikko Ahtiainen APA as principal auditors and Jukka-Pekka Jarva APA and Sari Sallinen APA as deputy auditors.

Board of Directors' proposal for disposal of profit

The unrestricted equity of Oy Matkahuolto Ab as per the balance sheet at 31 December 2021 was EUR 2,869,848.48, inclusive of retained earnings at EUR 4,841,381.58 and the loss for the financial period at EUR -2,251,421.88.

The Board of Directors proposes to the Annual General Meeting that the loss declared by the parent company, EUR -2,251,421.88, be recognised under retained earnings and that no dividend be paid.



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CONSOLIDATED INCOME STATEMENT

EUR thousand	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
TURNOVER	95,217	92,287
Other operating income	270	2,908
Materials and services		
Raw materials, consumables and goods		
Purchases during the financial period	-471	-682
Variation in stocks (-)/(+)	-75	-78
External services	-50,892	-50,949
Total materials and services	-51,438	-51,709
Personnel costs	-26,816	-25,805
Depreciation and reduction in value	-3,078	-2,797
Other operating expenses	-16,719	-14,760
OPERATING PROFIT/LOSS	-2,564	123

EUR thousand	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Financial income and expenses		
Dividend income	46	44
Share of profit in associated companies	-61	-180
Income from other investments held as non-current assets	633	2,681
Other interest and financial income		
From others	14	16
Reduction in value of investments held as non-current assets	30	0
Losses on sales of investments held as non-current assets	-61	-1,117
Interest expenses and other financial expenses		
To others	-42	-35
Total financial income and expenses	560	1,411
PROFIT/LOSS BEFORE APPROPRIATIONS AND TAXES	-2,003	1,534
Income tax	-1	-4
Minority shares	10	63
PROFIT/LOSS FOR THE FINANCIAL PERIOD	-1,994	1,593



CONSOLIDATED BALANCE SHEET – ASSETS

EUR thousand	31 Dec 2021	31 Dec 2020
NON-CURRENT ASSETS		
Intangible assets		
Intangible rights	3,823	3,795
Group goodwill	0	32
Other capitalised long-term expenses	719	845
Advance payments	1,483	725
Intangible assets	6,024	5,396
Tangible assets		
Land and waters	6	6
Buildings and structures	60	89
Machinery and equipment	4,256	3,103
Advance payments and procurements in progress	267	0
Tangible assets	4,588	3,198
Investments		
Shares in associated companies	217	296
Other shares and similar rights of ownership	65	79
Other investments	54	54
Investments	336	428
TOTAL NON-CURRENT ASSETS	10,949	9,022

EUR thousand	31 Dec 2021	31 Dec 2020
CURRENT ASSETS		
Inventory		
Raw materials and consumables	104	179
Short-term receivables		
Accounts receivable	9,838	9,801
Loan receivables	412	388
Other receivables	43	64
Prepayments and accrued income	1,302	829
Short-term receivables	11,594	11,082
Financial securities	7,293	7,000
Cash in hand and at banks	624	3,019
TOTAL CURRENT ASSETS	19,615	21,280
TOTAL ASSETS	30,564	30,302

**CONSOLIDATED BALANCE SHEET – EQUITY AND LIABILITIES**

EUR thousand	31 Dec 2021	31 Dec 2020
EQUITY		
Share capital	2,018	2,018
Other reserves	296	296
Retained earnings	3,990	2,397
Profit/loss for the financial period	-1,994	1,593
TOTAL EQUITY	4,311	6,305
MINORITY SHARES	19	29
PROVISIONS	429	640

EUR thousand	31 Dec 2021	31 Dec 2020
LIABILITIES		
Long-term liabilities		
Loans from financial institutions	964	10
Other long-term debts	4,090	3,398
Long-term liabilities	5,054	3,408
Short-term liabilities		
Loans from financial institutions	2,345	8
Prepayments received	436	400
Accounts payable	9,462	8,347
Other short-term debts	2,806	6,100
Accruals and deferred income	5,702	5,065
Short-term liabilities	20,751	19,920
TOTAL LIABILITIES	25,805	23,328
TOTAL EQUITY AND LIABILITIES	30,564	30,302



PARENT COMPANY INCOME STATEMENT

EUR thousand	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
TURNOVER	95,163	91,767
Other operating income	241	2,892
Materials and services		
Raw materials, consumables and goods		
Purchases during the financial period	-471	-676
Variation in stocks (-)/(+)	-75	-77
External services	-50,892	-50,918
Total materials and services	-51,438	-51,671
Personnel costs	-26,817	-25,540
Depreciation and reduction in value	-3,305	-3,052
Other operating expenses	-16,591	-14,647
OPERATING PROFIT/LOSS	-2,747	-251

EUR thousand	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Financial income and expenses		
Dividend income	46	44
Profit on sales of investments held as non-current assets	617	518
Other interest and financial income		
From others	14	16
Reduction in value of investments held as non-current assets	-85	-699
Losses on sales of investments held as non-current assets	-56	-915
To others	-41	-23
Total financial income and expenses	496	-1,059
PROFIT/LOSS BEFORE APPROPRIATIONS AND TAXES	-2,251	-1,310
Income tax	0	-4
	-2,251	-1,314
PROFIT/LOSS FOR THE FINANCIAL PERIOD	-2,251	-1,314



PARENT COMPANY BALANCE SHEET – ASSETS

EUR thousand	31 Dec 2021	31 Dec 2020
NON-CURRENT ASSETS		
Intangible assets		
Intangible rights	4,480	4,815
Other capitalised long-term expenses	719	845
Advance payments	1,483	631
Intangible assets	6,681	6,290
Tangible assets		
Land and waters	0	0
Buildings and structures	0	0
Machinery and equipment	4,256	3,109
Advance payments and procurements in progress	267	0
Tangible assets	4,523	3,109
Investments		
Shares in Group companies	301	301
Shares in associated companies	2	44
Other shares and similar rights of ownership	65	79
Other investments	54	54
Investments	422	478
TOTAL NON-CURRENT ASSETS	11,626	9,876

EUR thousand	31 Dec 2021	31 Dec 2020
CURRENT ASSETS		
Inventory		
Raw materials and consumables	104	179
Short-term receivables		
Accounts receivable	9,828	9,785
Receivables from Group companies	0	85
Loan receivables	412	388
Prepayments and accrued income	1,300	827
Short-term receivables	11,540	11,085
Financial securities	7,293	7,000
Cash in hand and at banks	530	2,931
TOTAL CURRENT ASSETS	19,467	21,195
TOTAL ASSETS	31,093	31,071

**PARENT COMPANY BALANCE SHEET – EQUITY AND LIABILITIES**

EUR thousand	31 Dec 2021	31 Dec 2020
EQUITY		
Share capital	2,018	2,018
Other reserves		
Other reserves	280	280
Retained earnings	4,841	6,155
Profit/loss for the financial period	-2,251	-1,314
TOTAL EQUITY	4,888	7,140
PROVISIONS	429	640

EUR thousand	31 Dec 2021	31 Dec 2020
LIABILITIES		
Long-term liabilities		
Loans from financial institutions	963	0
Other long-term debts	4,090	3,398
Long-term liabilities	5,053	3,398
Short-term liabilities		
Loans from financial institutions	2,337	0
Prepayments received	436	397
Accounts payable	9,446	8,336
Other short-term debts	2,802	6,096
Accruals and deferred income	5,702	5,065
Short-term liabilities	20,723	19,894
TOTAL LIABILITIES	25,776	23,292
TOTAL EQUITY AND LIABILITIES	31,093	31,071

Oy Matkahuolto Ab

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Finland

