Finnlines
a Grimaldi Group company

ANNUAL REPORT 2021

Contents

Finnlines' services play a vital role in ensuring a smooth supply of goods to Finland and from Finland to Sweden, Continental Europe and Great Britain.

HIGHLIGHTS 2021

Key financial figures

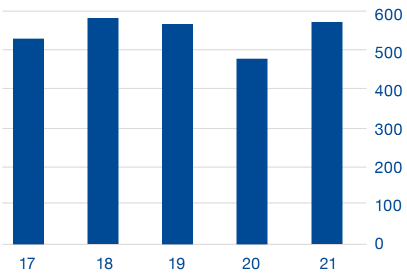
Revenue EUR million	EBITDA EUR million	Interest-bearing debt EUR million	Equity ratio remained at a good level
579.9	**160.3**	**350.4**	**60.4%**
Increase 20%	Increase 14%	Increase EUR 18.7 million	

Revenue by function

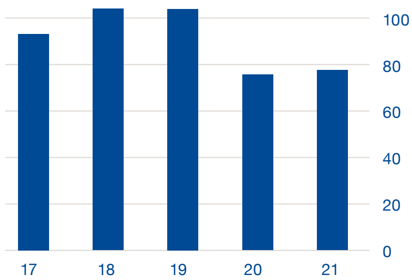
Freight Services EUR million	Passenger Services EUR million	Port Operations EUR million
507.5	**47.8**	**47.0***

* Including internal revenue between the segments EUR 22.3 million.

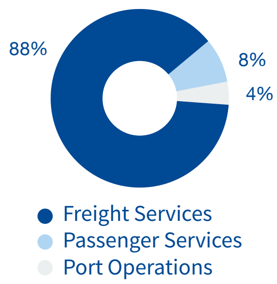
Revenue 2017–2021
EUR million



Result before interest and taxes (EBIT) 2017–2021
EUR million



Breakdown of external revenue 2021



EUR million	IFRS **2021**	IFRS 2020
Revenue	**579.9**	484.0
Result before interest, taxes, depreciation and amortisation (EBITDA)	**160.3**	140.8
Result before interest and taxes (EBIT)	**78.2**	76.2
Result for the reporting period	**74.7**	69.7
Equity ratio, %	**60.4**	60.7
Interest-bearing debt, MEUR*	**350.4**	331.7
Net gearing, %	**45.6**	45.5

* Excluding leasing liabilities.

Key operational figures

Finnlines transported in 2021

785,000 cargo units

171,000 cars

1,410,000 tons of non-unitised freight

572,000 passengers

Strategic expansion

INVESTMENTS IN THE FLEET CONTINUE

Five new vessels

Finnlines' significant EUR 500-million investment programme will further increase Finnlines' energy efficiency and reduce emissions as well as it will provide perfect tools to respond to future customer needs and requirements. The programme consists of three green hybrid ro-ro and two eco-friendly Superstar ro-pax vessels.

Ballast water management

Finnlines has started installation of ballast water treatment equipment on ships. The project will be completed in 2023. Ballast water is used to trim and stabilise ships, but it may carry harmful aquatic species and out-compete native species, disrupting fragile marine ecosystems.

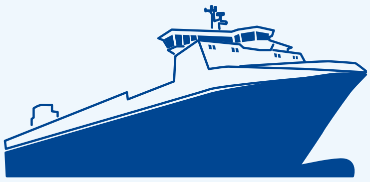
DIGITAL TRANSFORMATION

- Finnlines continued the development of the online store for consumers. The goal is to create a first-class customer experience in E-commerce. The online store will be launched in 2022.
- New digital services for freight customers will be launched in 2023.
- Development of an ERP system continued in 2021. A new self-service check-in for lorry drivers is planned to be launched in 2022.

Our largest ro-ro vessels have the capacity to carry

300

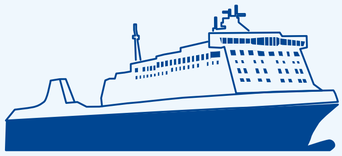
trailers per sailing.



Our largest ro-ro passenger vessels have the capacity to carry

554 passengers per sailing.

250 trailers per sailing.



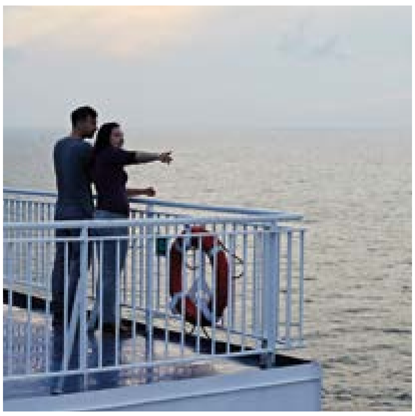
Recognition for sustainability

Finnlines was awarded the Sustainable Travel Finland label by Visit Finland in 2021, a recognition of Finnlines' long-term work on sustainable values.

Finnlines has targeted massive investments in energy efficiency and sustainable services during the last decade. The Company has been consistent in setting short-term goals to achieve ambitious and challenging long-term results. Compared with the 2008 figures, the Finnlines fleet has reduced its carbon dioxide emissions by more than 30%. In line with the strategy of the International Maritime Organization (IMO), the Company aims to cut its absolute CO_2 emissions by at least 50% by 2050.

A greener and cleaner way to travel

Environmental protection is an important part of Finnlines' daily work. Finnlines optimises transports and routes to achieve the highest possible



capacity utilisation, which minimises the environmental stress per transported cargo unit. Ships run on optimal speed, load, and trim. Our aim is to use technology that provides the best technical and economic performance with the lowest environmental impact. When viable and available, new technologies are adopted, as an example high-powered battery packs, air lubrication systems, solar panels and shore power. Moreover, gradual transition to carbon-free and renewable fuels is being investigated.

Finnlines ro-pax services combine passenger and cargo transport and the high utilisation rate of the routes and vessels makes responsible travel possible.

Sustainable Travel Finland label

Visit Finland's Sustainable Travel Finland programme provides operators in the travel industry and individual travellers with tools to identify sustainable tourism companies. To qualify for the Sustainable Travel Finland label, applicants must meet certain economic, ecological, social as well as cultural criteria. The programme includes regular auditing and renewal of the label.

HIGHLIGHTS 2021

STRATEGIC EXPANSION

New, innovative and energy-efficient

In order to meet customer expectations and to go beyond regulatory guidelines, Finnlines is constantly renewing and developing its fleet, using the latest technologies and innovations. The upcoming hybrid ro-ros and eco-efficient Superstar ro-paxes are the next step in the evolution of green shipping. All five ships will play an important role in the supply security chain.

Finnlines' EUR 500 million Newbuilding Programme, which consists of three hybrid ro-ro vessels (Finneco I–III) and two eco-efficient ro-pax vessels (Finnsirius and Finncanopus), continued in China. During 2021, all newbuilds were well under construction. Once all vessels have entered traffic, Finnlines can offer increased freight capacity and upgraded customer services. These new eco-efficient hybrid vessels will further increase Finnlines' energy efficiency and reduce emissions. Vessel deliveries are scheduled to take place during 2022–2023.

Economies of scale

Both vessel types will be larger than any in the existing Finnlines fleet. The ro-ro vessels will have nearly 40% and ro-pax around 20% more capacity for cargo than the largest

We continue to deploy larger and larger vessels in both ro-ro and ro-pax segments, thus creating better economies of scale.

vessels today. The number of passengers on the ro-pax vessels will double.

The ro-ros will be 238 metres long with a cargo capacity of 5,800 lane metres. They will be Finnlines' largest ro-ro vessels, capable of carrying about 300 trailers, 150 cars and 500 sea containers per sailing.

The Superstar ro-paxes will be 235 metres and their loading capacity will be 5,200 lane metres for rolling freight and 1,100 for passengers. In practice, this means that the vessels can carry approximately 200 passenger cars and 290 trailers or 250 trucks per voyage.

Giant leap in hybrid technology

Environmental aspects and sustainability are given high priority. The vessels are designed to be partially operated on battery power. The hybrid solution will reduce fuel consumption and allow zero emissions at berth. The noise during the stay in port will also decrease. The battery banks of 5 MWh will allow the use of stored electricity while in port. In addition, the ro-ro vessels will have solar panels and ro-pax vessels will be fitted with an onshore power connection.

Furthermore, the vessels will be equipped with air lubrication systems, and exhaust gas cleaning equipment to cut emissions further.

The new vessels will help Finnlines to strengthen its market-leading position in its core business. In addition, the environmental footprint of each carried truck and trailer will reduce significantly from the current level. The new ships will meet higher environmental standards and with the extra capacity, Finnlines will support the sustainable growth of its customers.

CLEAN TECHNOLOGY USED IN NEWBUILDINGS

- Battery banks: lithium-ion battery systems to enable zero-emission operations and to reduce noise in port
- Solar panels: 600m^2 of solar panels to produce clean electricity for users on board (Finneco trio)
- Promas Lite systems to increase energy efficiency
- An innovative air lubrication system to create bubble layers which will reduce friction and hydrodynamic resistance
- Optimised hull lines to optimise efficiency
- Main engines type and size carefully selected to achieve the lowest possible fuel oil consumption
- Use of shore-side electricity in port to reduce fuel consumption, emissions and noise (Superstar ro-paxes)
- Automooring to ensure faster mooring and efficient port operations (Superstar ro-paxes)

EVOLUTION OF FINNLINES' RO-RO VESSELS

	Baltica In Finnlines traffic 1995–2011, both owned and chartered	**Finnmill** In Finnlines traffic since 2002, both owned and chartered	**Finnbreeze** In Finnlines traffic since 2011, owned	**Finnbreeze** (lenghtened) Lengthened in 2018	**Finneco** Will be delivered in 2022
Year of Built	1990	2002	2011	2018	2022
Service Speed [kn]	17.3	19.8	20.0	19.6	20.7
Gross Tonnage	21,224	25,731	28,002	33,816	60,370
g CO_2/(nm x GT)	18.5	17.5	15.5	13.7	7.9

CEO review

Positioning ourselves for future success

The financial year 2021 was challenging for Finnlines. While the freight operations recovered well during the second quarter, the passenger business continued to face challenges due to constantly changing travel restrictions. In addition the State aid was continued and distributed among our competitors, which distorted the market functioning and disturbed the competition. A total of EUR 100 million of taxpayers' money has been paid to our competitors since the beginning of 2020 until now, while Finnlines was considered not eligible for the aid.

From the Finnish perspective, Finnlines carries more than a third of the one million rubber-tyred units that pass each year through three main sea bridges to Estonia, Sweden and Germany. Practically Finnlines connects Finland to Europe. High frequency traffic between Finland and Sweden, Continental Europe, Russia and Britain is the foundation of Finnlines' operations. The State aid was supposed to be targeted for shipping companies maintaining the rubber-tyred traffic to and from Finland in order to secure Finland's emergency security of supply. Therefore, it has been extremely hard to understand why Finnlines, being the largest shipping company, and taking care of Finland's emergency security of supply to greatest extent, did not receive this aid.

Based on the data by Statistics Finland, Finnish seaborne volumes carried in container, lorry and trailer units increased in 2021. Imports increased by 5%, totalling 10.1 million tonnes and exports increased by 3%, totalling 15.4 million tonnes.

During the first quarter of 2021, Finnlines' turnover declined compared with the previous year, but when cargo volumes started to grow during the spring, an upward trend continued throughout the year. The growth was substantial although industries suffered from shortage of components and road haulage from shortage of drivers. Moreover, the automotive industry had a longer summer stoppage than anticipated and train drivers' strike in Germany affected cargo transportation on the Sweden–Germany route. However, Finnlines could move vessels from routes with temporarily declining demand to others where larger capacity was needed.

Finnlines Group's turnover was EUR 579.9 (484.0) million in the reporting period, an increase of around 20% compared to the same period in 2020. Result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 160.3 (140.8) million, an increase of 14%. Finnlines achieved despite passenger challenges and unfairly distributed state-aid good result for the period, which was EUR 74.7 (69.7) million. We are more than satisfied with our performance, considering that we had to compete without receiving the State aid from Traficom.

When travel restrictions were gradually eased after months of lockdown, the Finnlines passenger business recovered quickly although passenger numbers remained below the normal level. The shore organisation was also strengthened to get prepared for the next level of travel experience, which the new Superstar vessels will offer. Finnlines' long-term work on sustainability was recognised by Visit Finland, which awarded the Company the Sustainable Travel Finland label. The long-lasting Covid-19 pandemic has put pressure on our seafarers. The sea- and shore-based personnel have all navigated well throughout the pandemic.

In April 2021, Finnlines strengthened its presence in Vuosaari by buying the largest office building and passenger terminal in the harbour area in order to secure long-term premises to its

After decades of containerisation, we are today witnessing trailerisation. While the global shortage of containers has challenged importers and exporters and led to world-wide supply-chain disruptions, ro-ro vessels have proved to be efficient and competitive modes of transport.

personnel. Vuosaari Harbour in Helsinki is a key location with its modern and advanced infrastructure and it is the home port of Finnlines.

Finnlines has always been committed to upgrade its services to meet customers' needs and expectations and to making adjustments to its traffic when necessary. Finland is dependent on its maritime connections. Flexibility and competitiveness of sea transportation is particularly important for the country, and critical for Finland's security of supply. Finnlines, being the market leader in rubber-tyred maritime traffic in the Baltic Sea area, is able to provide sustainable sea transportation cost-efficiently and on market terms.

While the global shortage of containers on the one hand, and the widely reported shortage of drivers on the other, challenged importers and exporters and led to world-wide supply-chain disruptions, shortsea operators could continue to provide reliable and competitive services. The number of trailers has increased steadily and Finnlines has carried accompanied and unaccompanied units uninterruptedly throughout the Covid-19 pandemic, offering around 170 departures each week. To live up to customers' expectations, both freight and passenger capacity was increased on the Finland–Sweden and Sweden–Germany routes in early 2022.

Finnlines has made substantial investments in environmental technology and in its fleet renewal, but new challenges lie ahead. Both globally and within the European Union, numerous proposals are being discussed. The European Commission intends to reduce greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels. Previously, IMO has set the minimum reduction target of 50%, compared to 2008. The EU Commission has also proposed to include maritime transport in the emissions trading system, which has covered energy-intensive industries and flights within EU for nearly two decades. Furthermore, the planned FuelEU Maritime Initiative will set a maximum limit on the greenhouse gas content of energy used by ships. The EU Taxonomy Regulation directive aims to promote clean technologies and discourage the use of fossil fuels. The carbon levy, i.e. a tax, which the International Chamber of Shipping has put forward in September 2021, is intended to expedite the creation of a market that makes zero-emission shipping viable. To reach the ambitious goal of becoming carbon neutral, it may be necessary to modify existing ships with new tanks and engines so that they can run on new types of fuel. However, at current rates of production, zero-carbon fuels are not commercially available at the scale needed for the global fleet.

Today, Finnlines concentrates on new battery technology, air lubrication and solar panels on its newbuilds. Several existing ro-pax ships will be equipped to use onshore power where available. Moreover, gradual transition to carbon-free, renewable fuels is being investigated. Ships spend many idle hours in ports waiting for cargo, loading and unloading. During 2021, we implemented actions to reduce the time our largest ships on our main service Hansalink stay in port to allow more slow steaming to save fuel and reduce air and water pollution. Digitalisation is the key to cut the turnover time and allow slower speed at sea. Seamless flow of information and optimisation of the whole transport chain increases the efficiency and cost benefits of logistics and also reduces the climate impacts of transport. Finnlines has developed digital applications to steer goods and passenger flows. As an example, in 2021, Finnlines introduced a new service which informs drivers when and where discharged trailers are located in the harbour area.

The construction of three hybrid ro-ro vessels and two eco-efficient ro-pax vessels has progressed well. A series of the new "Eco-ships", many of which already operate in the parent company's, in Grimaldi Group's, traffic, have proved to be excellent carriers with more capacity for cargo but lower energy consumption than vessels of the previous generation. Finnlines' Investment Programme comprises a total of five new vessels, which are all hybrid and state-of-the-art vessels from the environmental point of view. The vessels will be equipped with battery banks, air lubrication systems, and exhaust gas cleaning equipment. Furthermore, the ro-ro vessels will have solar panels and ro-pax vessels will be fitted with an on-shore connection. When at berth, the vessels achieve zero emissions.

Finnlines is a future-ready company with its diversified fleet. We can carry all types of cargo and our commercial and private passengers appreciate the peaceful sea crossing and upgraded facilities on our versatile ships, but profitability is the key to ensuring that the well-being of employees and working conditions can be promoted beyond national and international rules and regulations. Technological advancements bring new challenges and world is getting more complex. Moreover, profitability enables sustainability and strategic positioning for the future. Finnlines has adopted a green path in its strategy already several years ago when decisions were made on a EUR 0.5 billion Green Newbuilding Programme. We have steered investments to sustainability and this is only possible through financially sound and cost efficient operations and through prudent financial management.

I would like to take the opportunity to thank all our customers and stakeholders for showing confidence in Finnlines.

We have a skilled and competent personnel and excellent fleet to respond to environmental requirements and more stringent regulations not only at Finnlines but throughout the Grimaldi Group. Therefore, we are investing over EUR 0.5 billion to support our customers to grow in a sustainable way in the future with our modern, efficient and environmental-friendly fleet.

Emanuele Grimaldi

Prudent financial management provides financial flexibility

Finnlines is one of the largest European shipping companies specialised in regular liner traffic services. Our main responsibility is to ensure a smooth flow of goods in a sustainable manner. Our extensive line network secures to the Finnish export industry scheduled and reliable seaways to the European market, while ensuring the transport of critical goods to Finland.

The Covid-19 pandemic continued to affect our operations at the beginning of 2021, but cargo volumes recovered during the spring and our summer season was above expectations. We shipped 785,000 cargo units (723,000 in 2020) and carried 171,000 (154,000) cars (excluding passengers' cars). Once travel restrictions eased during the summer, an upward trend started and continued for the rest of the year. In total, 572,000 (501,000) passengers travelled with us in 2021, an increase of 14% compared to the previous year.

Financial performance

The Finnlines Group recorded revenue totalling EUR 579.9 (484.0) million in the reporting period, an increase of 20% compared to the same period in the previous year. Shipping and Sea Transport Services generated revenue amounting to EUR 555.3 (461.8) million, of which passenger related revenue was EUR 47.8 (39.0) million. The revenue of Port Operations was EUR 47.0 (42.8) million. Cargo volumes are clearly above the 2020 level, and the number of passengers also increased compared to 2020. Revenue of Port Operations also increased due to the growth of cargo. The internal revenue between the segments was EUR 22.3 (20.6) million.

Result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 160.3 (140.8) million, an increase of 14%. Result before interest and taxes (EBIT) was EUR 78.2 (76.2) million.

As a result of the improved financial position, net financial expenses decreased to EUR -4.4 (-5.6) million. Financial income was EUR 0.2 (0.5) million and financial expenses EUR -4.6 (-6.1) million. Result before taxes (EBT) increased by EUR 3.2 million and was EUR 73.8 (70.6) million. The result for the reporting period was EUR 74.7 (69.7) million.

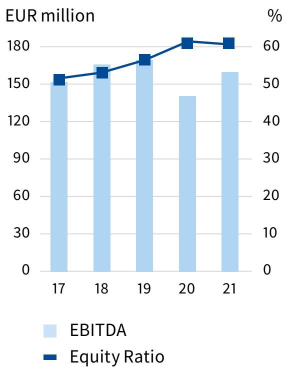
Increasing efficiency

Our 2021 performance has been strong, beyond expectations we had at the beginning of the year. Our optimal fleet utilisation and route network create a formula that drives our performance. Our flexible fleet allows us to re-arrange vessels to routes where demand for capacity increases – or at times decreases. We provide added value for our customers as we carry all types of cargo and are able to provide challenging transport services for any type of special and classified cargo (project cargo, high & heavy, dangerous goods cargo).

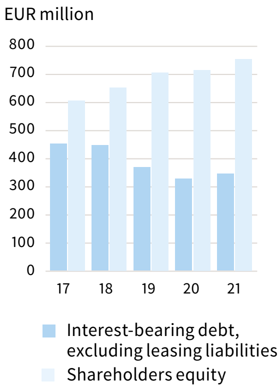
We are committed to using ground-breaking technologies, exploiting digitalised and optimised processes in all our operations. We are investing in clean technologies and effectively executing our strategy thanks to our highly productive, skilled and committed employees. All these actions increase the efficiency and effectiveness of our processes.

We are proud to announce that 2021 was a good year for Finnlines. We served Finnish and other European industries, transported goods and passengers without any public Covid-related subsidies throughout the year. In addition, our network has expanded and via the larger Grimaldi Group network the world is even more accessible to our customers.

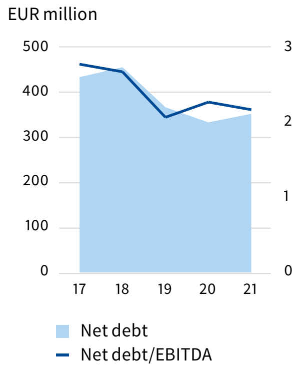
EBITDA and Equity Ratio



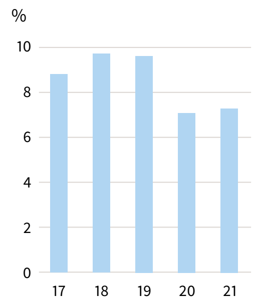
Interest-bearing Debt and Shareholders Equity



Net Debt/ EBITDA Development



Return on Capital Employed (ROCE)



Our financial strength and flexibility enables us to invest EUR 0.5 billion for green, state-of-the-art vessels.

Focus on the environment

We have continued our long-term measures for sustainable operations. Over the years, we have made substantial investments in our existing fleet, in environmental innovations and in cargo loading and carrying capacity.

We are in the process of investing in clean technologies and innovations and in new vessels over EUR 500 million. With this capital expenditure we can protect the environment by making sustainable investments and improving energy efficiency. Energy saving is the best way to reduce emissions and reach immediate results.

Our ongoing EUR 500 million newbuilding programme follows our strategy and we continue to deploy larger and larger vessels to benefit from economies of scale. While improving our services for our customers, we improve the green footprint of our fleet. The Green Newbuilding Programme consists of three hybrid ro-ro vessels and two Superstar ro-pax vessels. Their cargo capacity is 38% larger than that of the largest ships we operate today using the same amount of energy. The passenger capacity will increase by 58%. The new vessels are set to start in traffic in 2022–2023. Thus, we are well positioned for future environmental challenges.

Financial management and capital structure

Net cash generated from operating activities remained strong and was EUR 146.7 (138.0) million. The interest-bearing debt increased by EUR 18.7 (40.5) million to EUR 350.4 (331.7) million, excluding leasing liabilities of EUR 22.2 (17.7) million. Net interest-bearing debt at the end of period was EUR 348.5 (329.8) million. Net interest-bearing debt/EBITDA (rolling 12 months) ratio amounted to 2.2 (2.3) and the equity ratio calculated from the balance sheet was 60.4% (60.7%). Net gearing resulted in 45.6% (45.5%).

The Group has financial flexibility through strong liquidity position which at the end of the period, with cash and cash equivalents together with unused committed credit facilities, amounted to EUR 212.0 (226.8) million. The Finnlines Group has a strong balance sheet, cost-efficient operations and unused credit facilities, which all provide financial flexibility.

With the organisational, operational, and financial optimisation we have ensured that Finnlines' services have continued unaltered and we are fulfilling our important role in the logistics chain. The Finnlines Group's return on capital employed (ROCE) was 7.2% (7.0%).

Moreover, Finnlines Group's prudent financial management and strong long-term relationships with international banks and investors, enables us to have the required financial flexibility to invest close to EUR 0.5 billion in the ultra-green vessels and position ourselves for future success.

Outlook

The short-term global economic outlook seems to be positive although the pandemic continues to cause uncertainty with new mutations, which may affect travel and passenger volumes. Regarding the freight outlook and possible changes to it, Finnlines vessels are flexible in terms of cargo mix, thus less exposed to volatility in single market segments.

Finnlines is well-placed to compete with its strategy. Considering the past investments made in the fleet as well as all the actions in improving efficiency, productivity and financial performance, the Finnlines Group's result before taxes is expected to improve from 2021.

We have a strong owner with solid experience in shipping. It is widely known that the Grimaldi Group invests and takes part in maritime research and development activities and invests in innovative solutions and green technology. The shareholder structure reinforces our strategy and enables us to be the most efficient shipping company in the Baltic Sea.

Shipping is vital for Finland as about 90% of exports and 80% of its imports are shipped by sea. The island-like location makes the country dependent on sea connections. Carriers, such as Finnlines, supply services essential to both the private and public sectors, thus, for the whole Finnish economy. Together with our customers, we safeguard the national security of supply in a cost-effective, sustainable and responsible manner.

Tom Pippingsköld

PURPOSE, STRATEGY AND VALUES

We provide reliable sea connections to the private and public sector in the most sustainable and environmentally friendly way.

STRATEGY

We provide efficient and high-quality sea transport and port services to meet the requirements of the European industrial, commercial and transport sectors, and private passengers. We take our social responsibility as well as economic and environmental aspects into consideration in all our operations. Our in-depth knowledge and over 70-year experience of shipping ensure that we create long-term value for our customers.

Growing together with customers

We aim to be the most trusted commercial partner for our customers by providing safe and high-quality sea transport services. We actively develop our service products by identifying our cargo customers' and passengers' needs. We provide reliable sea connections to the private and public sector.

Our digital services, as well as operational systems, help us increase our efficiency and we can provide better services to our customers. Data analytics brings new opportunities for operational optimisation.

Together with our customers, we safeguard the national security of supply in a cost-effective and responsible manner.

Increase the efficiency of the capital employed on fleet

With high-quality business operations, we are able to guarantee long-term profitability and generate added value to our customers. Our vessels are flexible in terms of cargo mix and route. All our own vessels are ice-strengthened and thus capable of transporting goods even in difficult conditions. With a diversified fleet we can respond quickly to customer demand, regulatory or other changes.

We strive for the best performance, which we achieve through operational excellence, efficient fleet, and by focusing on routes with the highest possible capacity utilisation in southbound and northbound directions.

Invest sustainably

We are committed to long-term efforts for the environment. We look far into the future and make investments in energy efficiency and eco-efficient services as energy saving is the best way to reduce emissions and reach immediate results. We are constantly renewing and developing our fleet with the latest technologies and innovations.

VALUES

Customer focus
Our customers choose us thanks to our competence, expertise and reliability. Satisfied customers are the basis for Finnlines' enduring success. By identifying our cargo customers' and passengers' needs, we can continuously develop our service products and generate concrete added value for our customers.

Responsibility
We adhere to the principles of sustainable development. Environmental responsibility forms part of our Company's everyday operations. We take safety issues into consideration in all our operations.

Profitability
We achieve our objectives. Through the quality of our business operations, we are able to guarantee long- term profitability and generate added value.

Employee satisfaction
We are a reliable and motivating employer. We treat our employees with fairness and equality, rewarding the merit.

Sustainable travel and cargo shipment

CREATING LONG-TERM VALUE FOR OUR CUSTOMERS

We grow
Excellence in our services

- We develop and expand our network
- We develop our digitalised services
- We utilise advanced analytics and automation in our operations
- We create more value for our passengers

We optimise
Increase the efficiency of the capital employed on our fleet

- We have operational excellence
- We have optimal fleet utilisation and high fleet performance
- We optimise our routes and flow of goods

We invest
Invest sustainably

- We constantly renew and develop our fleet using the latest technologies and innovations
- We increase energy efficiency
- We utilise innovative solutions/ technologies
- We reduce air emissions

We offer more than 170 departures each week in order to ensure regular sea connections to all over Europe.

BUSINESS ENVIRONMENT

Finland's foreign trade is dependent on maritime transportations, some 90% of it is shipped by sea. Frequent and regular shipping services are of particular importance to processed goods, especially in the conditions created by the global pandemic. Operating area covers the Baltic Sea, the North Sea, and the Bay of Biscay. Digital processes are vital to the business and roughly 65% of freight bookings are automated. Finnlines' digital solutions enable efficient business operations and provide relevant data to our own organisation and to our customers.

The exceptional circumstances that suddenly developed in March 2020 became the new normal in 2021. The whole year was characterised by varyingly stringent restrictions in travelling and social intercourse, but people adjusted to them. As the consumption did not decrease this meant that the development of cargo volumes stayed on relatively high level for all traffic areas, for both southbound and northbound transportations.

The shipping companies whose business model has more emphasis on passenger services were forced to scale down their operations due to travel restrictions and thus fewer customers, and this strengthened the position of more freight reliant companies. Being less dependent on passengers – important though they are to the overall concept – Finnlines was able to maintain both the route network and the frequency at the established level.

The overall outlook remains still uncertain. Very much depends on how long it takes to bring the pandemic under control, and how swiftly the economy and various business sectors recover, and how employment develops.

Inbound volumes to Britain remained close to previous levels, but outbound volumes suffered from weakened market competitiveness. The effect of more regulatory checks and verifications to be adopted at the turn of the year 2021/2022 for inbound traffic will be negative, but how deep the drop will be remains to be seen.

The disruptions to global shipping due to disturbances in container traffic forced the shippers to find alternative solutions, which slightly boosted the short sea shipping and other modes of transportation.

Operating areas

Maritime transport is vital to Finland's foreign trade, especially in extraordinary circumstances. Finnlines operates in the Baltic Sea, the North Sea, and the Bay of Biscay, reflecting the main areas of the Finnish foreign trade. The Group's route network covers all major Finnish ports as well as several main ports in the Baltic Sea and North Sea areas. It offers the wide Grimaldi shortsea and deep-sea network for Finnlines' customers to use.

Finnlines' fleet

At the end of 2021, Finnlines owned 21 vessels. The Group's vessels are among the best that ply the Baltic Sea in terms of size, efficiency, and carbon footprint. All vessels sailing between Finland and Continental Europe fly the Finnish flag.

The total capacity of the fleet was approximately 77,000 lane metres; 33,000 metres on ro-pax vessels and the remaining 43,000 on ro-ro vessels.

The average age of the Group's vessels was about 16 years.

Fleet renewal

Finnlines continues to deploy larger and larger vessels in both the ro-pax and ro-ro segments, thus creating better economies of scale. Three new ro-ro vessels and two ro-pax vessels under construction will add some 27,600 lane metres to Finnlines' services.

The hybrid ro-ro vessels are expected to start operation in 2022. The Superstar ro-pax vessels are expected to be delivered during 2023.

These major investments will keep Finnlines running one of the most modern, efficient, and ecological fleets in the Baltic and North Sea areas.

SHIPPING AND SEA TRANSPORT SERVICES

Finnlines' strong position derives from high quality services and product concepts tailored to the customers' needs. Frequency of departures, cargo capacity and information services contribute flexibility, reliability, and predictability to customers' operations. Finnlines transports today a third of the 1 million trucks carrying goods between Finland, Sweden, and Continental Europe every year.

In 2021, Finnlines maintained the service level unchanged, which can be considered a significant contribution to Finland's security of supply.

The Shipping and Sea Transport segment's revenues totalled EUR 555.3 (461.8 in 2020) million, and it employed 1,256 (1,244) people on average. The volumes developed well all year, despite the uncertainty caused by scarcity of raw materials and components which in turn was a result of the global supply chain problems.

During January–December, the transports totalled about 785,000 (723,000) cargo units, 171,000 (154,000) cars (not including passengers' cars) and 1,410,000 (1,107,000) tons of non-unitised freight. In addition, some 572,000 (501,000) private and commercial passengers were transported.

The Baltic Sea and North Sea services

Finnlines' ro-ro services in the Baltic Sea and North Sea areas provide a backbone to Finnish industries' transportation needs. Routes are ideally located for serving freight customers in the Baltic Sea and the North Sea. Traffic was operated with some ten modern ro-ro vessels catering for lorries, trailers, other mobile cargo, containers, and break bulk.

Helsinki–Travemünde service

The service consists of three Star class ro-pax and two ro-ro vessels plying between Helsinki, Finland and Travemünde, Germany. Despite the Covid-19 pandemic, the vessels carried freight uninterruptedly, offering about eight reliable weekly departures in both directions. The line retained and even strengthened its position as the largest carrier of unitised cargo between Germany and Finland and volumes exceeded the 2020 level.

With the gradual easing of the travel restrictions in the second half of the year, passenger volumes increased compared with 2020 but remained far below the normal level. For passengers, Helsinki–Travemünde route remains the only direct connection by sea between Finland and Continental Europe.

Malmö–Travemünde service

Finnlines' route between Malmö, Sweden, and Travemünde, Germany, offers 24 weekly departures in both directions. The average intake capacity is more than 1,100 cargo units per day.

Finnlines' high-frequency service with the right cargo capacity and fast nine-hour voyage ensures the kind of efficiency that is required by professional cargo transportation and intermodal solutions. Despite the pandemic, the service ran regularly, without disruptions, with the highest level of punctuality throughout the year.

Three ro-pax vessels operated on the route in 2021, but a fourth vessel was added to the Malmö–Travemünde service in early 2022. Hence, freight carriers will benefit from the upgraded service.

Naantali–Långnäs–Kapellskär service

Finland's most important sea bridge for the security of supply is Finnlines' Naantali–Långnäs–Kapellskär route between Finland and Sweden. In order to serve customers better, in early 2022, the service was upgraded by the deployment of another Star class vessel Europalink, which joined the sister vessel Finnswan on the route and replaced a smaller ro-pax vessel, Finnfellow, which moved to operate on the Malmö–Travemünde route.

The two sister vessels serve the trade and industry by providing a daily capacity for more than 750 cargo units, which would be more than sufficient to cover all the lorry and trailer volumes crossing between Finland and Sweden.

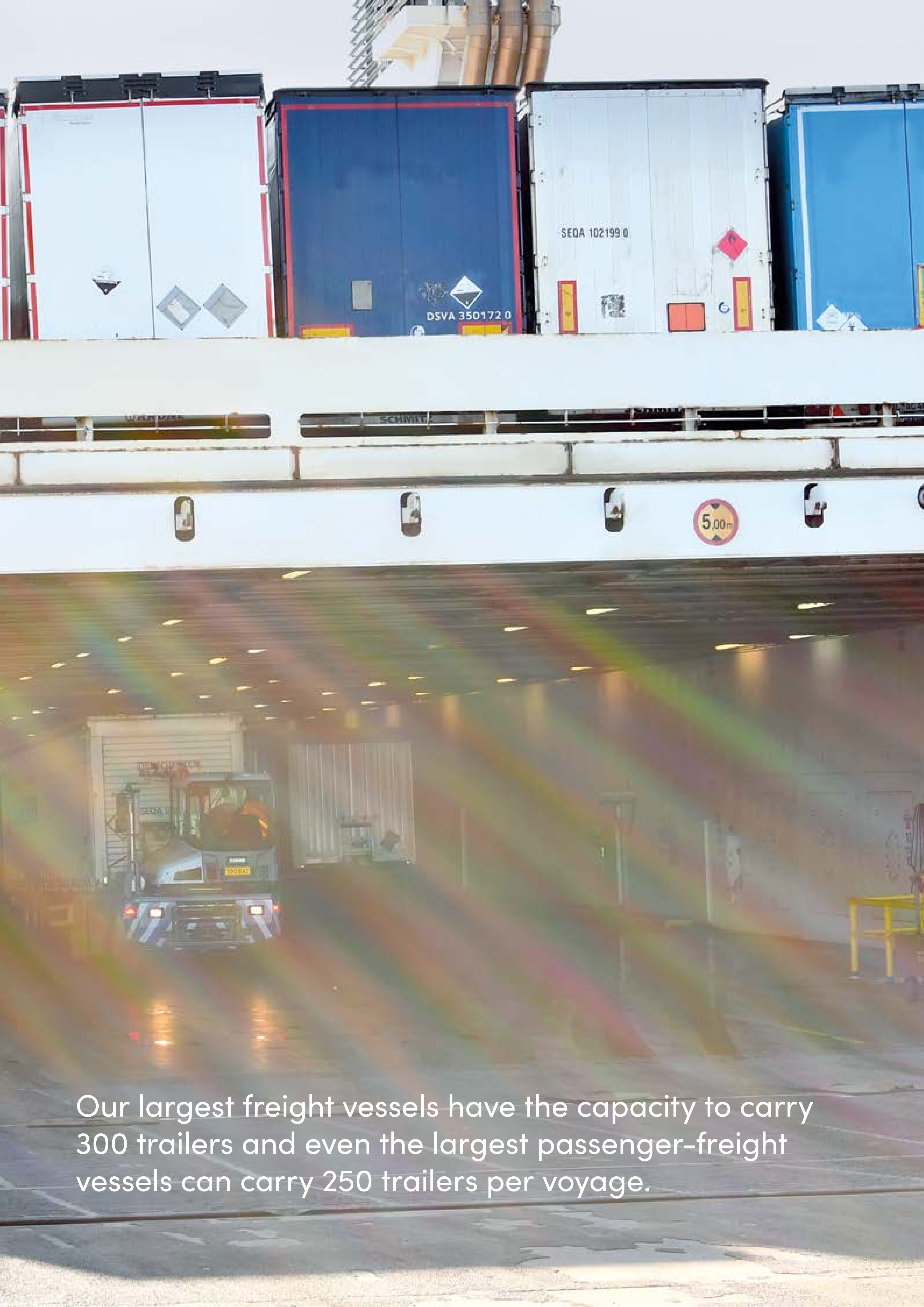
The travel industry suffered from the effects of the ongoing pandemic, but Finnlines' passenger volumes between Finland and Sweden increased by 96%. The route to the Åland Islands became very popular among Finnish travellers during 2021. The service also proved its full reliability and capability to carry an even bigger share of the freight trade between the two countries.

Finnlines RUS service

The Finnlines RUS service provides connections between the Baltic Sea, the North Sea and the North of Spain. The wide network of connections links the important ports of St. Petersburg, Kotka, Helsinki, Paldiski, Antwerp, Zeebrugge, Tilbury and Bilbao. The affiliation with the Grimaldi Group enables Finnlines to expand its network to ports in South America, West Africa, Mexico and the west coast of the United States through a transshipment in Antwerp.

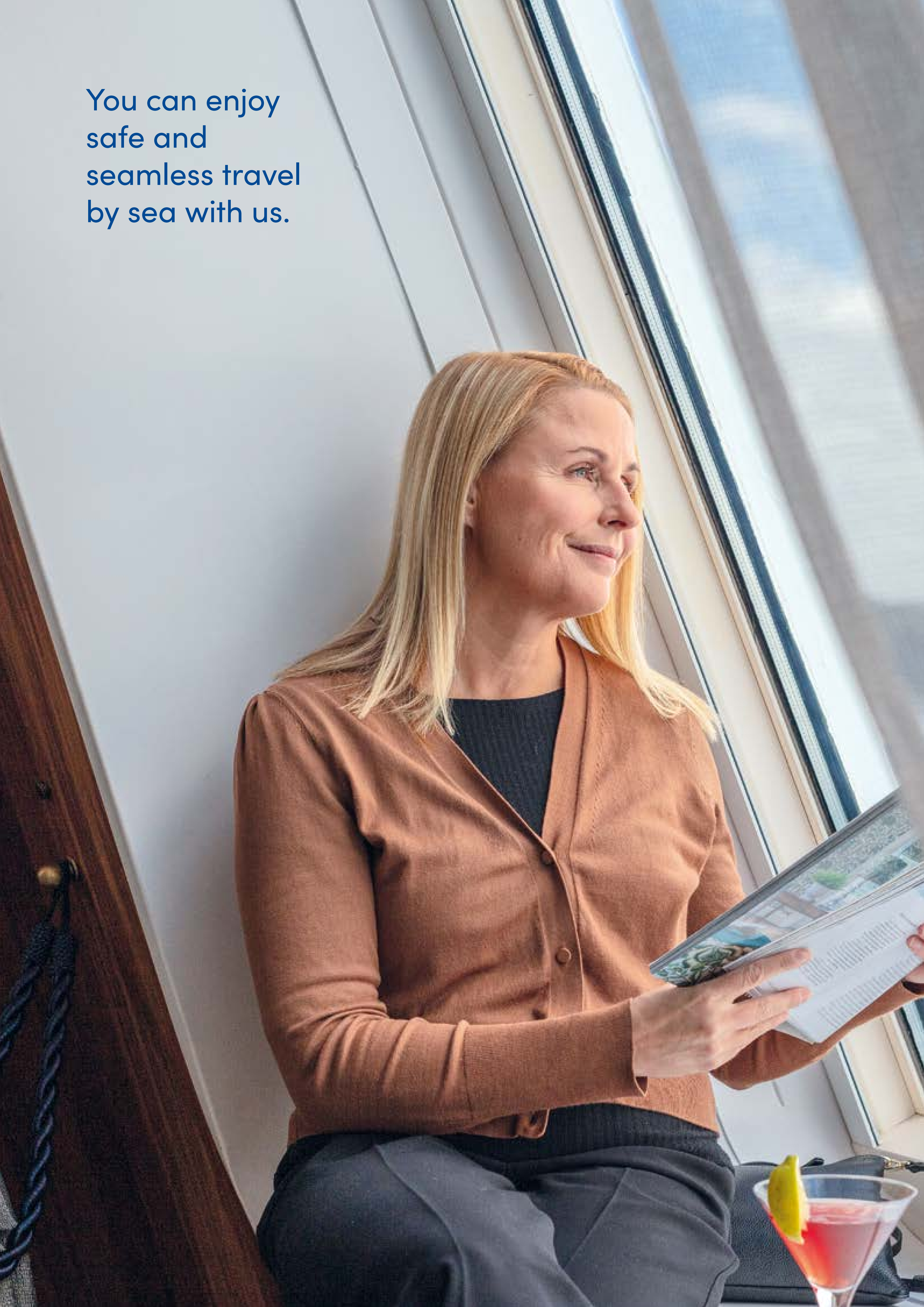
Five multipurpose vessels, which have an average capacity of 3,900 lane metres and are less than 10 years old, operate in the Finnlines RUS service. All vessels are equipped with an exhaust gas cleaning system and provide a sustainable transport mode with a low carbon footprint. The service is tailormade to serve the customers' needs as the vessels have been built to carry a versatile mix of cargo, such as sto-ro, ro-ro, containers, project cargo ("high and heavy") and automotive industry products.

Finnlines' ambition is to become a reference partner in the multimodal transport segment by offering flexible solutions which combine different cargo needs and enhanced economy of scale.



Our largest freight vessels have the capacity to carry 300 trailers and even the largest passenger-freight vessels can carry 250 trailers per voyage.

You can enjoy safe and seamless travel by sea with us.



PASSENGER SERVICES

With its nine ro-pax vessels, operating between six ports in three countries, Finnlines has upheld its position as an important provider of passenger services in the Baltic Sea.

The ro-pax vessels on Finnlines' Helsinki–Travemünde route provide a fast connection from Continental Europe to Finland. The service combines cargo and passenger traffic in an eco-efficient way and the high utilisation rate in routes and vessels guarantees the possibility to travel in a sustainable and responsible way. Throughout the Covid-19 pandemic, Finnlines has transported fresh and other crucial goods to the consumers efficiently and reliably while providing safe and convenient services for passengers looking to travel by sea.

Travel on the upturn

The total number of passengers transported on all routes (private and commercial) grew by 14% to 572,000 (501,000 in 2020) passengers. The private passenger business was resuscitated and the number of passengers increased on all routes. The strongest recovery, an increase of 96%, was seen on the Finland–Sweden route that suffered the most from restrictions. The Germany–Sweden route remained consistent and was able to grow by 39%. After a restricted start, the Finland–Germany revived to a moderate growth of 16%.

A safe travel option

The impact of the coronavirus outbreak on consumer purchasing and travel behaviour was heavily felt. The ever changing travel restrictions and unsystematic behaviour of the governments left the consumers searching for a permission to travel. As the permission was slowly given, the consumers started to look for a safe travel option. Continental Europeans saw sparsely populated Northern Europe as a remote and secure travel destination. Summer figures demonstrated that Finnlines had succeeded in attracting travellers with its safe and reliable product. The ro-pax vessel concept provided ample space onboard for passengers and their vehicles, making compliance with safety regulation easier and travel more enjoyable.

Digital future

Paperless, digital and sustainable are terms Finnlines aims to embody in the near future. Despite months of lockdown and downturn in private travel, Finnlines continued to invest in the future of travel. We maintained the focus on digital revolution and the ongoing technological transformation will ensure that Finnlines keeps growing stronger. The focus remains on creating a holistic customer experience from booking to the port of arrival. The Finnlines new digital service concept will be introduced together with the new ro-pax vessels.

Digital transformation is a desired vision shared by our customers. The systematic feedback collected from our passengers during the pandemic helped us to improve our processes and develop customer service and communication concepts. Our customers expect multichannel communication and a strong online presence. Our customers trust us and keep choosing us as we have demonstrated a solid competence and strong reliability throughout the years. This is evidenced by the steady growth of our loyalty program. Developing our Star Club loyalty program will be the key in building a dedicated customer base for the future.

PORT OPERATIONS

Finnsteve companies, which include Finnsteve, Containersteve and FS-Terminals, are responsible for Finnlines Group's port operations. Finnsteve is a major port operator focused on unitised cargo services required by scheduled liner traffic in the ports of Helsinki, Turku and Naantali. Helsinki is Finland's most important export and import port for unitised goods, while Turku and Naantali have the fastest sea connections from Finland to Sweden.

In 2021, Finnlines' Port Operations generated revenues of EUR 47.0 (42.8 in 2020) million and employed 299 (290) people on average.

During the past few years, Finnsteve has made major investments in new IT systems. A new ERP system for unitised cargo was introduced at the beginning of 2018, and a new HR and equipment resources management system during 2020. The systems improve the efficiency and reliability of the operations.

In 2021, more energy-efficient solutions were developed in the Port Operations, with special attention to the utilisation rate of the container fleet. The Company continues to implement a sustainable operating model by renewing its vehicle fleet to full-electric models.

Port operations in Helsinki

Vuosaari Harbour, which was opened at the end of 2008, has proved to be an efficient world-class port with its modern and advanced infrastructure. The operations of the harbour are being constantly developed. An extensive fairway deepening project, launched in 2020, was completed in November 2021. The project will increase the depth of the fairway from 11 metres to 13 metres, thus enabling larger ships to access the harbour.

The Company's four post-Panamax container gantry cranes have sufficient capacity and power to cope easily with future growth in container volumes. The export and import terminals allow cargo handling in all weather conditions.

The total cargo volumes handled by Finnsteve companies in Vuosaari Harbour increased from the previous year.

Port operations in Turku and Naantali

Finnsteve operates mainly in West Harbour in Turku. It also has operations in the Turku Base port and in the Port of Naantali.

The Company's Naantali operations provided services to the Group's Naantali–Långnäs–Kapellskär traffic.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SUSTAINABILITY

Corporate responsibility is a core element of our business. Operating in ecologically sensitive areas, the objective of our safety and environmental policy is to provide safe, top-quality services while making efforts to minimise the environmental impacts in every aspect of operations. Finnlines complies with the UN principles of sustainable development and takes its social responsibility as well as economic and environmental aspects into consideration in all operations.

Our corporate responsibility focus areas are based on our most important values, which are customer focus, profitability, responsibility and employee satisfaction. Corporate responsibility includes social and environmental responsibility as well as financial profitability.

Top priorities

- Building an open, permanent dialogue and closer cooperation with our customers, employees and stakeholders.
- Measures related to energy efficiency and emission reduction include schedule and route planning, speed and load optimisation and resistance reduction. Our professional personnel play a very important role in reaching our environmental targets.
- Safety is one of the most important environmental aspects of shipping and we take safety issues into consideration in all our operations.
- Financial profitability, which includes financial performance, corporate governance and risk management, is the main operating condition and enables, for example, significant and consistent investments in our fleet.

Economic profitability fosters social responsibility and conservation of the environment. Environmental and social responsibility is part of our day-to-day operations.

SUSTAINABLE DEVELOPMENT GOALS AND FINNLINES

Finnlines complies with the principles of sustainable development and takes its social responsibility as well as economic and environmental aspects into consideration in all operations. In order to strengthen and clarify its responsible work, Finnlines has introduced the UN principles of sustainable development to its operations and is committed to supporting these goals.

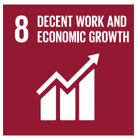
Ambitious goals

Finnlines is committed to long-term efforts for the environment, investing in energy efficiency and sustainable services. The Company has worked consistently, setting short-term goals to reach excellent long-term results and, consequently, Finnlines has reduced its carbon dioxide emissions by more than 30% compared to 2008.

In line with the strategy of the UN's International Maritime Organization (IMO), the Company aims to reduce its absolute carbon dioxide emissions by at least 50% by 2050.

Key actions for sustainable future

- We are enhancing our fleet with five new eco-efficient ships, which will reduce the carbon footprint further.
- We are installing ballast water treatment equipment to prevent the spread of harmful aquatic species.
- We have invested over EUR 1 billion in our fleet and operations during the past decade. Investments have included many new installations, such as emission abatement systems, change of propeller blades and rudders, and ballast water treatment equipment.
- We have lengthened six of our ro-ro vessels and the achieved capacity increase of 30% reduces energy consumption, as well as emissions, per transported cargo unit.



Profitability enables sustainability. To achieve economic growth and profitability, Finnlines promotes safe and secure working environment where all employees are treated equally and with respect irrespective of gender, age or background. By optimising our operations and by focusing on cost control, we are able to improve our efficiency. To operate technically more advanced ships, investments in education and training of personnel are a top priority.

Environmentally friendly transport mode. Sea transport is an efficient way to carry all types of goods, particularly large volumes. Moving the carriage of goods from road to sea reduces congestion and noise on roads. The Finnlines ro-pax concept combines cargo and passenger traffic and ensures a high utilisation rate even during seasonal ups and downs.

Sustainable consumption and production. The economy and society depend on natural resources and Finnlines makes efforts to use resources in a responsible manner. We want to do more and better with less energy, reducing environmental effects on cargo and passenger operations. Increasing digitalisation and automation will reduce our material footprint. Ecological choices of commodities range from materials used in ships' interior design to food assortment and chemicals.

Continuous development. To combat climate change and its impacts, Finnlines will continue to invest in clean technologies and emission-free port calls. Our professional personnel play a key role in the transition to clean energy.

Ecologically and socially responsible business is crucial to sustainable development and to a company's success in today's world. Seas and oceans make the Earth habitable and since we operate in ecologically sensitive sea areas, we aim to produce safe and high-quality services, which take the environmental effects into account in the whole transport chain throughout a ship's life-cycle. By continuously investigating and testing energy-saving innovations and improving processes, we at Finnlines do our part in protecting the marine environment of the Baltic Sea.

Our aim is to use technology that provides the best technical and economic performance with the lowest environmental impact. Finnlines takes part in energy saving and research & development in environmental field to safeguard our planet.

ENVIRONMENT AND SAFETY

Shipping, which transports around 90% of global trade, provides the principal mode of transport for the supply of raw materials, consumer goods, essential foodstuffs and energy to the global population. The vast majority of these products could not be transported any other way than by ship. The Covid-19 pandemic has demonstrated the essential role played by transport and the social, health and economic costs when free movement of people, goods and services is severely constrained.

Air emissions

Shipowners have had to report on ships' fuel consumption, subsequent CO_2 emissions and transport work to the European Commission as from 2018 in accordance with an EU directive. Globally, a similar system, IMO's Data Collection System, started in 2019. An accredited, impartial verifier validates the data in both systems.

Finnlines operates in ecologically sensitive sea areas, mainly in the Emission Control Areas, i.e. the Baltic Sea, the North Sea and the English Channel, where the sulphur content limit for fuel oil has been 0.10% from 2015 in accordance with the MARPOL Convention, whereas globally, the sulphur limit decreased from 3.5% to 0.5% at the beginning of 2020. Finnlines has installed exhaust gas cleaning systems on 21 vessels since 2015.

The IMO has set the target to cut greenhouse gas emissions from shipping by 50% by 2050. Fuel consumption per cargo tons carried and nautical miles sailed should decrease by 40% by 2030 and by 70% by 2050. All target figures are compared with the 2008 level. The European Commission has raised the stakes even higher by setting the goal for Europe to become a climate-neutral continent by 2050.

Finnlines has optimised its schedules and routes to achieve the highest possible capacity utilisation, which minimises the environmental stress per transported cargo unit. Ships run on optimal speed, load, and trim. The underwater hull is brushed regularly during the open-water season to remove micro organisms, which have attached to the ship's hull, increasing fuel consumption.

All ships have a Ship Energy Efficiency Management Plan, the purpose of which is to identify energy-saving measures and to establish practices to improve energy efficiency.

Finnlines invests in sustainability in many ways on its new vessels. Main engines with low specific fuel consumption have been chosen. Installation of solar panels, a high-powered battery bank, an air lubrication system, and shore-side electricity are included in the Green Newbuilding Programme. Installation of a shore-side connection on several existing ro-pax vessels is also being prepared. Moreover, gradual transition to carbon-free and renewable fuels is being investigated.

In 2021, Finnlines' vessel traffic consumed 330,732 tons of heavy fuel oil and diesel oil, representing an increase of 4% compared with 2020. However, the Company operated an average of 21 vessels compared with 19 in 2020.

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A leap to a sustainable and smart future

Both globally and within the European Union, numerous proposals are being discussed to combat the climate change. To reach the ambitious goals, the shipping sector will have to consider transition to alternative carbon-neutral fuels and to adoption of new technologies.

The EU Commission has adopted a “Fit for 55” package where four proposals are maritime-related.

- The Commission has proposed to include maritime transport in the emissions trading system, which has covered energy-intensive industries and flights within EU for nearly two decades. The system only concerns CO_2 emissions from ships of at least 5000 GT and allowances may be bought and sold between industries. One of Finland’s major targets is to include compensation for navigation in ice in the proposal as fuel consumption increases in winter conditions. Today, the proposal does not take account of any compensation.
- The planned FuelEU Maritime Initiative will set a maximum limit on the greenhouse gas content of energy used by ships.
- Passenger ships and container ships will be required to use onshore power supply at berth unless they can demonstrate the use of an alternative zero-emission technology. Member states should ensure availability of onshore power by 1 January 2030.
- The Energy Taxation Directive aims to promote clean technologies and discourage the use of fossil fuels. The EU plans to introduce taxes on fuels over a 10-year transitional period.

A sustainable transport system must be smart, flexible and adaptable to ever-changing transport patterns and needs.

The carbon levy, i.e. a tax, which the International Chamber of Shipping has put forward to the IMO in September 2021, is intended to expedite the creation of a market that makes zero-emission shipping viable.

To reach the ambitious goal of becoming carbon neutral, it may be necessary to modify existing ships with new tanks and engines so that they can run on new types of fuel. However, at current rates of production, zero-carbon fuels are not commercially available at the scale needed for the global fleet.

Safety and security

The land-based ship management organisation and all the ships are certified in accordance with the International Safety Management Code (ISM). All ships and port facilities also comply with the requirements of the ISPS Code (International Ship and Port Facility Security Code).

Technical progress, such as digitalisation, integration and automation, brings a risk of malicious attacks to ships' control systems. Shipowners have therefore identified cyber security objectives relevant for the safe operation of the ship.

The ships are regularly inspected and audited by the maritime administration, classification societies and by in-house auditors. Regular drills are held both internally and with authorities, such as the border guard, police and local city rescue departments.

In ports, stevedoring companies have safety systems, including communication and contingency plans in case of an accident. Ports are equipped to respond to fires and oil and chemical spills.

Environmental certification

The environmental management system, which complies with the ISO 14001:2015 standard, was audited in the office and onboard ships during 2021. Certification covers management and manning of all ships sailing under the Finnlines flag as well as purchasing, newbuildings, and cargo and ship operations.

Stakeholders

In environmental and safety matters, Finnlines' most important stakeholders are the flag and port state administration, owners, customers, personnel, port operators, classification society and contractors, as well as the inhabitants of harbour and fairway areas.

Finnlines is represented at the technical, safety and environmental committees under the Swedish and Finnish Shipowners' Associations and co-operates with maritime colleges and research centres. The company is an associated organization in the EU flagship project COMPLETE (Completing management options in the Baltic Sea Region to reduce risk of invasive alien species introduction by shipping). Finnlines has also been involved in the real time algal monitoring project, Alg@line, on its Finland–Germany route for over 20 years, providing vessels for research purposes.

Legislation

IMO manages international legislation on safety and environmental matters. The MARPOL 73/78 Convention contains regulations on the disposal of waste and sewage and on the prevention of air emissions. The SOLAS Convention regulates maritime safety and security, including ship construction, life-saving arrangements and navigation. Port operations comply with national and international legislation.

To ensure safe and environmentally sound recycling of ships, the Hong Kong Convention has been adopted within IMO, but the Convention has not yet been ratified. This is why EU has adopted a regulation on ship recycling and inventory of hazardous materials, like mercury, cadmium and lead. Hazardous materials experts have identified the presence of hazardous material contained in the equipment and systems onboard. An inventory shall be maintained throughout the operational life of the ship.

Ballast water management

Ballast water is used to trim and stabilise ships, but it may carry harmful aquatic species and out-compete native species, disrupting fragile marine ecosystems. In accordance with the IMO Ballast Water Management Convention, ships must be fitted with treatment equipment during a transitional period. Finnlines has proceeded with installations, which will be completed in 2023.

Other environmental aspects

Oily wastewater, 'bilge water', is generated in engine rooms. Bilge water is separated in separators and the remaining sludge is always taken ashore. The limit for the oil content of water that may be discharged into the sea is 15 ppm but many of our ships have more efficient separators. Some bilge water is also pumped ashore.

MARPOL contains restrictions concerning black water, i.e. toilet water. Finnlines' ro-pax vessels land black and grey water to onshore municipal sewage systems. Cargo ships are equipped with sewage treatment plants, which have been certified by the administration.

Finnlines co-operates with waste management companies to reuse, recycle or recover waste in an efficient manner and waste is reprocessed into material or recovered as energy. The main waste types generated on board include plastics, bio waste, glass, paper, cardboard, wood, and metal. Hazardous waste is separated and taken to a designated container in the port.

Environmental aspects in port operations

Port and stevedoring operations are an important part of overall efficiency and performance of the Group. Finnsteve companies continue to invest in modern equipment and vehicles, which will take the environmental programme to the next level. NOx emissions from new tug masters, which will replace the old Tier 1 equipment, will reduce by 96% and particles by 97%. New electric vans and minibuses will be emission free.

Finnsteve companies hold a valid ISO 14 001 environmental certificate and an ISO 9001 quality certificate.

In 2021, the fuel consumption of the port operations totalled 1,205,412 litres, which includes the operations in Helsinki, Turku and Naantali, an increase of 8% compared with the previous year, but the number of cargo units had also increased.

Despite challenges, our personnel has ensured the same high-quality service level as in prepandemic days.

HUMAN RESOURCES

Finnlines is an international company employing around 1,600 people in seven countries. Finnlines is a reliable and motivating employer, which treats employees fairly and equally.

The prolonged corona pandemic continued to affect all our employee groups' everyday lives widely in 2021. The precautions taken and changes in operations made in 2020 have become part of our lives for a longer period of time and perhaps more permanently than we thought when the pandemic broke out. Another year in the midst of the pandemic has requested patience and resilience from our personnel.

Employee well-being

In 2021, we continued to ensure wellbeing, occupational safety and work ability of all our employee groups, emphasizing needs different from previous years in response to the exceptional conditions.

As our sea-going personnel and port personnel cannot work remotely, prevention of the pandemic in our workplaces was our main objective to maintain safe working conditions. When instructions kept changing, quick response, new precautions and adaptation of novel working arrangements were necessary but work onboard ships and in the offices continued without disruptions and our business did not suffer.

As recommended, our shore-based employees continued to work largely from home although at times, when the number of infections declined, we returned to our offices where health security was highlighted. The past two years have confirmed the importance of social cohesion and teamwork in the work community. Also in the future we want to give our employees an opportunity to work and meet colleagues safely at our premises instead of forcing them to work partly from home and to convert the home into a workplace.

In May 2021, the first functionalities of a new HR system were introduced to the Finnish shore personnel and implementation will continue in 2022. The new system will support management and personnel development even better in the future.

We are very proud of how well our employees have concentrated on their tasks in the midst of challenges and uncertainty. They have thus ensured that the impact of the pandemic has been minimal on our operations. Like in 2020, our employees deserve recognition for their responsible attitude during Covid-19. Our office staff also has tasks which cannot be performed remotely and it has been most important that we all act in a responsible manner and that it is safe to work at our premises.

Highly skilled and competent employees

As the pandemic caused a downturn in our operations, we launched a savings programme, which also included personnel costs, during the spring of 2020. The programme continued in 2021, which was another challeng-

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ing year for our passenger services where the reduction in workload was evident. Our employees have adopted a constructive and solution-oriented approach to adjustments and they have been willing to ensure the same high-quality service level as in prepandemic days.

We have also managed to pursue ongoing and new projects, including development of information systems. We have achieved a very good result, which would not have been possible without our highly motivated and competent employees. The prolonged pandemic and uncertainty have required flexibility and adjustment to the new regime. We want to thank all our employees for commitment and excellent performance.

Personnel figures

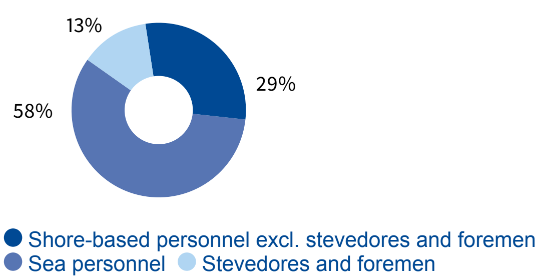
In 2021, the Group revenue/average number of personnel was EUR 373 (316 in 2020) thousand. EBIT/average number of personnel amounted to EUR 50 (50) thousand.

The Group employed an average of 1,555 (1,534) persons during the reporting period, consisting of 858 (849) persons at sea and 697 (685) persons on shore. The number of persons employed at the end of the period was 1,619 (1,519) in total, of which 931 (834) at sea and 688 (685) on shore.

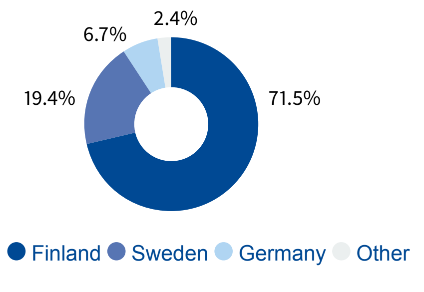
The personnel expenses (including social costs) for the reporting period were EUR 89.6 (83.4) million.

Key figures	**2021**	2020
Average number of employees	**1,555**	1,534
Revenue/employee, EUR	**372,930**	315,505
Personnel expenses/employee, EUR	**57,618**	54,349
Result before taxes/employee, EUR	**47,430**	46,050
Average sickness absence of personnel, day/employee	**12.7**	12.5
Training days, total	**2,582**	1,096
Average number of employees per business area		
Shore-based personnel		
Shipping and Sea Transport Services	**398**	395
Port Operations	**299**	290
Sea personnel	**858**	849
Group, total	**1,555**	1,534
	On 31 December 2021, the shore-based personnel amounted to 688 and sea personnel to 931, in total 1,619.	On 31 December 2020, the shore-based personnel amounted to 685 and sea personnel to 834, in total 1,519.

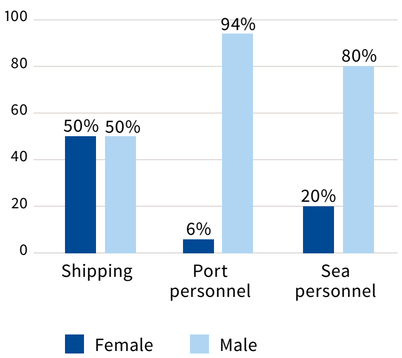
Employee categories as of 31 December 2021, %



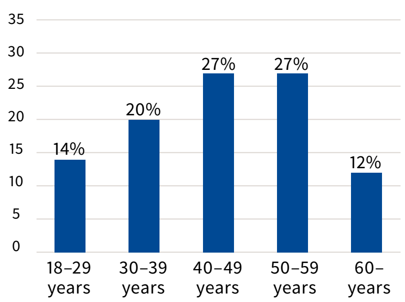
Personnel by country 2021, %



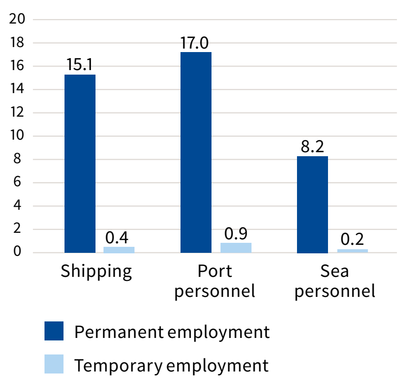
Gender distribution as of 31 December 2021, %



Breakdown by age as of 31 December 2021, %



Average length of employment as of 31 December 2021, years



FINANCIAL STATEMENTS 2021

BOARD OF DIRECTORS' REPORT

Finnlines' business

Finnlines is a leading shipping operator of ro-ro and passenger services in the Baltic Sea, the North Sea and the Bay of Biscay. The Company's passenger-freight vessels offer services from Finland to Germany and via the Åland Islands to Sweden, as well as from Sweden to Germany. Finnlines' ro-ro vessels operate in the Baltic Sea, the North Sea and the Bay of Biscay. The Company has subsidiaries and sales offices in Germany, Belgium, Great Britain, Sweden, Denmark and Poland. In addition to sea transportation, the Company provides port services in Helsinki and Turku.

As an agent for Grimaldi Lines and Atlantic Container Line (ACL) in Finland and Russia, Finnlines connects Helsinki, St. Petersburg and Paldiski with the Grimaldi Group network in the Mediterranean, West Africa, as well as the Atlantic coast of both North and South America.

Group structure

Finnlines Plc is a Finnish public limited company, which operates under Finnish jurisdiction and legislation. At the end of the reporting period, the Group consisted of the parent company and 20 subsidiaries. In April 2021, Finnlines acquired the shares of real estate limited liability company Vuosaaren Porttikeskus, whose ownership at Vuosaari includes Gatehouse, Hansaterminal and P8-Porttikeskus parking house. Finnlines Group is headquartered in the Gatehouse.

Finnlines Plc is fully owned by the Grimaldi Group, which is one of the world's largest operators of ro-ro vessels and the largest operator of the Motorways of the Sea in Europe for both passengers and freight. The Grimaldi Group, headquartered in Naples, operates a fleet of more than 130 vessels and employs over 15,000 people. It serves over 140 ports in 50 countries in the Mediterranean Sea, Northern Europe, West Africa, North and South America. The Grimaldi Group comprises seven shipping companies, including Finnlines, Atlantic Container Line (ACL), Malta Motorways of the Sea (MMS) and Minoan Lines.

General market development

Finnlines' main operating area connects trade partners around the Baltic Sea. Based on the OECD Eurostat, the change of Gross Domestic Product in EU area increased by 3.9% during the third quarter of 2021 in comparison with the same period in 2020. Compared with the second quarter of 2021, the reported GDP in Germany increased by 1.8% in the third quarter of 2021, while in Sweden the corresponding increase was also 1.8%. In Finland GDP increased in the third quarter by 0.9% compared with the previous quarter. (Eurostat 2021.)

Based on the statistics by Statistics Finland for January–December, the Finnish seaborne imports carried in container, lorry and trailer units (measured in tons) increased by 5% and exports increased by 3%. During the same period private and commercial passenger traffic between Finland and Sweden increased by 15%, between Finland and Germany by 15%. (Statistics Finland).

Finnlines' traffic

During the reporting period, Finnlines operated on average 21 (19) vessels in its own traffic.

In January 2021 the time-chartering of MS Finnsea ended with Grimaldi Group and the vessel returned to Finnlines' North Sea traffic.

In April, Finnlines increased the vessel capacity and time-chartered MS Eurocargo Savona from the Grimaldi Group. The vessel started to operate in Hanko–Rostock traffic while MS Finnpulp was moved in TRE traffic as a second vessel, increasing the number of departures between Germany, Russia and Finland.

The bareboat charter of MS Finnclipper ended at the beginning of November and the vessel returned to Finnlines' Malmö-Travemünde traffic in December 2021.

The cargo volumes transported during January–December totalled approximately 785 (723 in 2020) thousand cargo units, 171 (154) thousand cars (not including passengers' cars) and 1,410 (1,107) thousand tons of freight not possible to measure in units. In addition, some 572 (501) thousand private and commercial passengers were transported.

Financial results

The Finnlines Group recorded revenue totalling EUR 579.9 (484.0) million in the reporting period, an increase of 20% compared to the same period in the previous year. Shipping and Sea Transport Services generated revenue amounting to EUR 553.3 (461.8) million, of which passenger related revenue was EUR 47.8 (39.0) million. The revenue of Port Operations was EUR 47.0 (42.8) million. Cargo volumes are clearly above last year's level, and also the amount of passengers has increased compared to 2020. Revenue of Port Operations has also increased due to the growth of cargo. The internal revenue between the segments was EUR 22.3 (20.6) million.

Result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 160.3 (140.8) million, an increase of 14%.

Result before interest and taxes (EBIT) was EUR 78.2 (76.2) million.

As a result of the improved financial position, net financial expenses decreased to EUR -4.4 (-5.6) million. Financial income was EUR 0.2 (0.5) million and financial expenses EUR -4.6 (-6.1) million. Result before taxes (EBT) increased by EUR 3.2 million and was EUR 73.8 (70.6) million. The result for the reporting period was EUR 74.7 (69.7) million.

Finnlines has changed its depreciation periods for its ro-pax vessels from 35 years to 30 years and for its ro-ro vessels from 30 years to 25 years.

The most important business and share related key indicators are presented in the Five-Year Key Figures on page 41.

Statement of financial position, financing and cash-flow

Interest-bearing debt increased by EUR 18.7 million to EUR 350.4 (331.7) million, excluding leasing liabilities of EUR 22.2 (17.7) million. Net interest-bearing debt excluding leasing liabilities at the end of period was EUR 348.5 (329.8) million. Net interest-bearing debt/EBITDA (rolling 12 months) ratio amounted to 2.2 (2.3) and the equity ratio calculated from the balance sheet was 60.4 (60.7) %. Net gearing resulted in 45.6 (45.5) %. Covid-19 pandemic has not affected the availability or terms of financing.

The Group's liquidity position is strong and at the end of the period, cash and cash equivalents together with unused committed credit facilities amounted to EUR 212.0 (226.8) million.

Net cash generated from operating activities remained strong and was EUR 146.7 (138.0) million.

Capital expenditure

The Finnlines Group's gross capital expenditure in the reporting period totalled EUR 110.6 (50.4) million, including tangible and intangible assets. Total depreciation and amortisation amounted to EUR 82.1 (64.6) million. The investments consist of normal replacement expenditure of fixed assets, new cargo handling equipment, dry-dockings, buildings in the Port of Vuosaari and environmental investment prepayments related to green ro-ro and ro-pax newbuildings.

Finnlines has continued to invest in sustainability and environmental technologies. In order to protect the fragile marine environment in the Baltic and the North Sea, the Company has started to install ballast water treatment systems on its vessels. The project will be completed in 2023.

Finnlines' EUR 500 million investment programme, the Newbuilding Programme, continued in China. During 2021, all newbuilds were well under construction. The programme consists of three hybrid ro-ro vessels (Finneco I, II, III) and two eco-efficient ro-pax vessels (Finnsirus and Finncanopus). New vessels will further increase Finnlines' energy efficiency and emission reduction and are a significant step towards an even more sustainable and eco-efficient fleet. Vessel deliveries are scheduled to take place during 2022–2023.

Personnel

The Group employed an average of 1,555 (1,534) persons during the reporting period, consisting of 858 (849) persons at sea and 697 (685) persons on shore. The number of persons employed at the end of the period was 1,619 (1,519) in total, of which 931 (834) at sea and 688 (685) on shore.

The personnel expenses (including social costs) for the reporting period were EUR 89.6 (83.4) million.

The Finnlines share

The Company's paid-up and registered share capital on 31 December 2021 totalled EUR 103,006,282. The capital stock consisted of 51,503,141 shares.

Finnlines Plc is fully owned by the Grimaldi Group.

The shares and shareholders are dealt with in more detail in the Notes to the Consolidated Financial Statements, in Note 38. Shares and shareholders

Decisions taken by the Annual General Meeting

Finnlines Plc's Annual General Meeting was held in Helsinki on 6 May 2021. The Annual General Meeting of Finnlines Plc approved the Financial Statements and discharged the members of the Board of Directors and President and CEO from liability for the financial year 2020. The meeting approved the Board of Directors' proposal to pay a dividend of EUR 1.00 per share.

The meeting decided that the number of Board Members be nine. The meeting decided to re-elect from the current board members Tiina Bäckman, Emanuele Grimaldi, Gianluca Grimaldi, Guido Grimaldi, Mikael Mäkinen, Diego Pacella, Esben Poulsson, Jon-Aksel Torgersen and Tapani Voionmaa for the term until the close of the Annual General Meeting in 2022. The yearly compensation to the Board will remain unchanged as follows: EUR 50,000 for the Chairman, EUR 40,000 for the Vice Chairman, and EUR 30,000 for each of the other members of the Board.

The Annual General Meeting elected KPMG Oy Ab as the Company's auditor for the fiscal year 2021. It was decided that the external auditors will be reimbursed according to invoice.

Risks and risk management

The financial uncertainty caused by the Covid-19 pandemic, which broke out in early 2020, has eased in Finnlines' business environment. Finnlines' management has assessed that the pandemic will not affect the figures reported by the company, except for the reduced passenger business.

Finnlines is exposed to business risks that arise from the capacity of the fleet existing in the market, counterparties, prospects for export and import of goods, and changes in the operating environment. The risk of overcapacity is reduced through scrapping of aging vessels, on the one hand, and the more stringent environmental requirements, on the other. The continuity of operations is ensured by safeguarding critical functions and essential resources. The majority of the Group's non-current assets consists of its fleet. The fleet is always insured to its full value.

Stricter environmental regulations (e.g. NOx, SOx and CO_2 emission, wastewater and ballast water regulations) are the risk factors that could affect the Group's business. However, through the constant renewal and development of the fleet, using the

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latest technology and innovations, Finnlines is very well-positioned to greatly mitigate this risk.

The effect of fluctuations in the foreign trade is reduced by the fact that the Company operates in several geographical areas. This means that slow growth in one country is compensated by faster recovery in another. Finnlines continuously monitors the solidity and payment schedules of its customers and suppliers. Currently, there are no indications of imminent risks related to counterparties but the Company continues to monitor the financial position of its counterparties. Finnlines holds adequate credit lines to maintain liquidity in the current business environment.

Finnlines' cash and unused committed credit facilities amounted to over EUR 200 million and the Company has initiated cost saving plans in April 2020, which both have continued to enable the Company to mitigate the negative effects of Covid-19 pandemic.

Legal proceedings

Finnlines has made an appeal to the Helsinki Administrative Court of the National Emergency Supply Agency's decision concerning the compensation of costs for securing maritime transport. Finnlines has also appealed to Market Court concerning the Finnish Transport and Communications Agency's calls for tenders concerning imposing a public service obligation for the aid of maritime traffic on the Turku/Naantali–Mariehamn/Långnäs–Stockholm, Kapellskär–Mariehamn, Naantali–Långnäs, Grisslehamn–Eckerö and Helsinki–Tallinn routes. In addition, Finnlines has made a complaint to the European Commission concerning Covid-19 situation related selective and discriminatory aid measures launched by the Finnish authorities.

Finnlines is in addition involved in a few legal proceedings and disputes whose outcome cannot be predicted, but taking into account the information that is available at present, their outcome is not expected to have any substantial impact on the Group's profit.

Tonnage taxation

Finnlines Plc entered into the Finnish tonnage taxation regime as from 1 January 2013. In tonnage taxation, the shipping operations transferred from taxation of business income to tonnage-based taxation.

Research and development

The aim of Finnlines' research and development work is to find and introduce new practices and operating methods, which enable the Company to meet customer requirements in a more sustainable and cost-efficient way. In 2021, the focus continued to be on environmental investments in vessels and on improving vessels' energy efficiency.

Finnlines' newbuilding program continued as planned during the year. Three highly ecological ro-ro vessels were under construction at Nanjing Jinling shipyard in China and the construction of two ecologically efficient Superstar ro-pax vessels started during the year. The hybrid ro-ro vessels will start in Finnlines' Baltic, North Sea and Biscay traffic in 2022 and Superstar ro-pax vessels on the Naantali–Långnäs–Kapellskär route in 2023.

Energy efficiency of the Finnlines fleet will be further improved by utilising the latest, environmentally friendly technology. Vessels with lithium-ion batteries will enable emission free port calls. Modern two-stroke engines, exhaust gas cleaning equipment, solar panels and innovative air lubrication systems will help cutting down emissions.

The renewal and development of the online store for consumers continued in 2021. The aim is to launch a rebuilt and efficient channel for travel and service products sales. The customer experience will be enhanced and the efficiency of the sales channel is planned to improve. The mapping of digital services for freight customers was completed in 2021. Digital services were re-designed and the implementation project was started. The aim is to launch new services for freight customers during 2023. The development of open application programming interfaces (API) for freight customers continued on Grimaldi Group level.

The development of an ERP system continued in 2021 through several different projects. One development area has been data and processes monitoring to improve the quality of reporting and operations based on the ERP data. The monitoring system for port and stevedoring costs has been developed to the initial phases for implementation. The target is to launch a self-service check-in for lorry drivers during 2022.

Replacement of the financial system's server platform was started so that the lifespan of that system can be extended. Data security solutions were expanded and diversified to give efficient protection from growing threats.

In Port Operations, the focus continued to be on the development of electronic customer services. The aim is to ensure customers an easy access to information and to improve the quality and timeliness of various data.

Finnlines is interested in academic collaboration with universities and other educational institutes and wants to take part in developing the maritime industry. Finnlines supported student who were working on their final studies and theses during 2021.

Environment and safety

Both globally and within the European Union, numerous proposals are being discussed to combat the climate change. The EU Commission has adopted a “Fit for 55” package where four proposals are maritime-related.

The Commission has proposed to include maritime transport in the emissions trading system where allowances may be bought and sold between industries. One of Finland’s major targets is to include compensation for navigation in ice in the proposal as fuel consumption increases in winter conditions. The FuelEU Maritime Initiative will set a maximum limit on the greenhouse gas content of energy used by ships. Passenger ships and container ships will be required to use onshore power supply at berth unless they can demonstrate the use of an alternative zero-emission technology. Member states should ensure availability of onshore power by 1 January 2030. The Energy Taxation Directive aims to promote clean technologies and discourage the use of fossil fuels. The EU plans to introduce taxes on fuels over a 10-year transitional period.

The carbon levy, i.e. a tax, which the International Chamber of Shipping has put forward to the IMO, is intended to expedite the creation of a market that makes zero-emission shipping viable.

Finnlines invests in sustainability in many ways in its Green Newbuilding Programme. Main engines with low specific fuel consumption have been chosen. Installation of solar panels, high-powered battery banks, air lubrication systems, and shore-side electricity are being prepared. Installation of a shore-side connection on several existing ro-pax vessels is also under work. Moreover, gradual transition to carbon-free and renewable fuels is being investigated.

Finnsteve companies continued to invest in modern equipment and vehicles, which will take the environmental programme to the next level. NOx emissions from new tug masters, which will replace the old Tier 1 equipment, will reduce by 96% and particles by 97%. New electric vans and minibuses will be emission free.

In 2021, Finnlines’ vessel traffic consumed 330,732 tons of heavy fuel oil and diesel oil, representing an increase of about 4% compared with 2020. However, the Company operated an average of 21 vessels compared with 19 in 2020. The fuel consumption of the port operations in Helsinki, Turku and Naantali totalled 1,205,412 litres, an increase of 8% compared with the previous year, but the number of cargo units had also increased.

Sustainability reporting

Finnlines’ sustainability reporting includes, in addition to financial figures, key indicators related to the employees and the environment.

Finnlines’ sustainability reporting is part of the Grimaldi Group’s Sustainability Report which is available on the Grimaldi Group’s website: www.grimaldi.napoli.it.

Corporate Governance

The Corporate Governance Statement can be reviewed on the Company’s website: www.finnlines.com.

Events after the reporting period

There are no significant events to report.

Outlook and operating environment

The short-term global economic outlook seems to be positive although the pandemic continues to cause uncertainty with new mutations, which may affect travel and passenger volumes. Regarding the freight outlook and possible changes to it, Finnlines vessels are flexible in terms of cargo mix, thus less exposed to volatility in single market segments.

Finnlines is well-placed to compete with its strategy. Considering the ongoing Green Newbuilding Investment Programme, past investments made in the fleet as well as all the actions in improving efficiency, productivity and financial performance, the Finnlines Group’s result before taxes is expected to improve from 2021.

Dividend distribution proposal

The parent company Finnlines Plc’s result for the reporting period was EUR 62.6 million. The distributable funds included in the parent company’s shareholders’ equity equals to EUR 455.7 million at the end of the reporting period. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 1.00 per share be paid out resulting in a total amount of proposed dividends of EUR 51,503,141.

According to the consolidated statement of financial position, the equity attributable to parent company shareholders equals EUR 764.3 (724.5) million at the end of the reporting period.

Naples, 24 February 2022

Finnlines Plc, The Board of Directors

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, IFRS

EUR 1,000	1 Jan–31 Dec 2021	1 Jan–31 Dec 2020
Revenue	**579,944**	484,016
Other income from operations	**1,896**	1,303
Materials and services	**-192,991**	-137,964
Personnel expenses	**-89,602**	-83,376
Depreciation, amortization and impairment losses	**-82,127**	-64,599
Other operating expenses	**-138,958**	-123,164
Total operating expenses	**-503,678**	-409,104
Result before interest and taxes (EBIT)	**78,161**	76,215
Financial income	**187**	494
Financial expenses	**-4,591**	-6,065
Result before taxes (EBT)	**73,758**	70,645
Income taxes	**915**	-918
Result for the reporting period	**74,673**	69,727
Other comprehensive income		
Other comprehensive income to be reclassified to profit and loss in subsequent periods:		
Exchange differences on translating foreign operations	**68**	-45
Fair value change on currency derivates	**16,695**	-8,245
Other comprehensive income to be reclassified to profit and loss in subsequent periods, total	**16,763**	-8,290
Other comprehensive income not being reclassified to profit and loss in subsequent periods:		
Remeasurement of defined benefit plans	**-51**	-120
Tax effect, net	**-38**	21
Other comprehensive income not being reclassified to profit and loss in subsequent periods, total	**-90**	-100
Total comprehensive income for the reporting period	**91,346**	61,336
Result for the reporting period attributable to:		
Parent company shareholders	**74,673**	69,727
	74,673	69,727
Total comprehensive income for the reporting period attributable to:		
Parent company shareholders	**91,346**	61,336
	91,346	61,336
Result for the reporting period attributable to parent company shareholders calculated as earnings per share (EUR/share)		
Undiluted / diluted earnings per share	**1.45**	1.35

Most of the items recognised in the Consolidated Statement of Comprehensive Income fall under the tonnage tax scheme.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION, IFRS

EUR 1,000	31 Dec 2021	31 Dec 2020
ASSETS		
Non-current assets		
Property, plant and equipment	**1,004,024**	967,748
Goodwill	**105,644**	105,644
Other intangible assets	**3,116**	3,671
Other financial assets	**7,076**	7,076
Receivables	**8,121**	3,929
Deferred tax assets	**983**	2,370
	1,128,963	1,090,438
Current assets		
Inventories	**8,395**	5,967
Accounts receivable and other receivables	**119,275**	86,471
Income tax receivables	**48**	32
Cash and cash equivalents	**1,951**	1,847
	129,669	94,317
Non-current assets held for sale	**14,610**	14,610
Total assets	**1,273,242**	1,199,365
EQUITY		
Equity attributable to parent company shareholders		
Share capital	**103,006**	103,006
Share premium account	**24,525**	24,525
Translation differences	**141**	114
Fund for invested unrestricted equity	**40,016**	40,016
Fair value reserve *	**18,073**	1,378
Retained earnings	**578,535**	555,413
	764,296	724,453
Total equity	**764,296**	724,453
LIABILITIES		
Long-term liabilities		
Deferred tax liabilities	**44,003**	46,509
Pension liabilities	**3,143**	3,331
Provisions	**1,697**	1,697
Loans from financial institutions	**169,123**	180,383
	217,976	231,920
Current liabilities		
Accounts payable and other liabilities	**87,257**	73,798
Current tax liabilities	**22**	27
Provisions	**215**	220
Loans from financial institutions	**203,476**	168,946
	290,970	242,992
Total liabilities	**508,946**	474,912
Total shareholders' equity and liabilities	**1,273,242**	1,199,365

* Fair value reserve consists of fair value of effective part of foreign currency forward contracts, for which hedge accounting is applied.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, IFRS

EUR 1,000	Equity attributable to parent company shareholders						
	Share capital	Share issue premium	Translation differences	Unrestricted equity reserve	Fair value reserve	Retained earnings	Total equity
Reported equity 1 January 2020	103,006	24,525	140	40,016	9,623	537,310	714,620
Comprehensive income for the reporting period:							
Result for the reporting period						69,727	69,727
Exchange differences on translating foreign operations			-26			-19	-45
Fair value change on currency derivatives					-8,245		-8,245
Remeasurement of defined benefit plans						-120	-120
Tax effect, net						21	21
Total comprehensive income for the reporting period	0	0	-26	0	-8,245	69,609	61,336
Dividend						-51,503	-51,503
Equity 31 December 2020	103,006	24,525	114	40,016	1,378	555,413	724,453

EUR 1,000	Equity attributable to parent company shareholders						
	Share capital	Share issue premium	Translation differences	Unrestricted equity reserve	Fair value reserve	Retained earnings	Total equity
Reported equity 1 January 2021	**103,006**	**24,525**	**114**	**40,016**	**1,378**	**555,413**	**724,453**
Comprehensive income for the reporting period:							
Result for the reporting period						74,673	74,673
Exchange differences on translating foreign operations			27			42	68
Fair value change on currency derivatives					16,695		16,695
Remeasurement of defined benefit plans						-51	-51
Tax effect, net						-38	-38
Total comprehensive income for the reporting period	**0**	**0**	**27**	**0**	**16,695**	**74,626**	**91,346**
Dividend						-51,503	-51,503
Equity 31 December 2021	**103,006**	**24,525**	**141**	**40,016**	**18,073**	**578,535**	**764,296**

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CONSOLIDATED STATEMENT OF CASH FLOWS, IFRS

EUR 1,000	1 Jan–31 Dec 2021	1 Jan–31 Dec 2020
Cash flows from operating activities		
Result for the reporting period	**74,673**	69,727
Adjustments:		
Non-cash transactions	**81,937**	64,167
Unrealised foreign exchange gains (-) / losses (+)		
Financial income and expenses	**4,407**	5,568
Taxes	**-915**	918
Changes in working capital:		
Change in accounts receivable and other receivables	**-20,976**	-66
Change in inventories	**-2,428**	185
Change in accounts payable and other liabilities	**14,759**	3,674
Change in provisions	**-193**	-143
Interest paid	**-2,679**	-3,589
Interest received	**29**	50
Taxes paid	**-265**	-252
Other financing items	**-1,636**	-2,209
Net cash generated from operating activities	**146,713**	138,030
Cash flows from investing activities		
Investments in tangible and intangible assets	**-83,577**	-50,401
Sale of tangible assets	**375**	126
Acquisition of subsidiary shares	**-27,051**	0
Net cash used in investing activities	**-110,253**	-50,275
Cash flows from financing activities		
Loan withdrawals	**232,000**	54,000
Net increase in current interest-bearing liabilities (+) / net decrease (-)	**34,881**	-2,973
Repayment of loans	**-248,649**	-91,204
Payment of lease liabilities	**-3,090**	-3,427
Dividends paid	**-51,503**	-51,503
Net cash used in financing activities	**-36,361**	-95,108
Change in cash and cash equivalents	**99**	-7,353
Cash and cash equivalents 1 January	**1,847**	9,208
Effect of foreign exchange rate changes	**5**	-8
Cash and cash equivalents 31 December	**1,951**	1,847

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PROFIT AND LOSS ACCOUNT, PARENT COMPANY, FAS

EUR	1 Jan–31 Dec 2021	1 Jan–31 Dec 2020
Revenue	**456,773,315.23**	372,129,761.63
Other income from operations	**4,105,558.21**	3,477,580.02
Materials and services	**-180,052,310.45**	-132,277,081.64
Personnel expenses	**-44,754,797.58**	-41,593,449.39
Depreciation, amortisation and other write-offs	**-47,221,306.66**	-33,380,705.01
Other operating expenses	**-125 804 445.62**	-112,218,664.47
Operating profit	**63,046,013.13**	56,137,441.14
Financial income and expenses	**-3,688,356.21**	-4,166,014.50
Result before appropriations and taxes	**59,357,656.92**	51,971,426.64
Appropriations		
Group contributions	**-1,000,000.00**	-2,100,000.00
Profit before tax	**58,357,656.92**	49,871,426.64
Income taxes	**0.00**	-8,074.48
Deferred taxes	**4,301,517.57**	2,889,513.31
Other direct taxes	**-87,779.13**	-88,370.98
Result for the reporting period	**62,571,395.36**	52,664,494.49

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BALANCE SHEET, PARENT COMPANY, FAS

EUR	31 Dec 2021	31 Dec 2020
ASSETS		
Non-current assets		
Intangible assets	**1,899,183.55**	2,381,950.51
Tangible assets	**684,655,631.01**	659,627,257.76
Investments		
Shares in group companies	**154,379,459.00**	153,454,336.86
Other investments	**7,051,920.55**	7,051,920.55
Total non-current assets	**847,986,194.11**	822,515,465.68
Current assets		
Inventories	**6,764,141.31**	4,896,931.41
Long-term receivables	**73,349,467.12**	62,544,312.18
Short-term receivables	**112,159,527.34**	86,527,559.32
Bank and cash	**1,282,918.28**	1,102,924.76
Total current assets	**193,556,054.05**	155,071,727.67
Total assets	**1,041,542,248.16**	977,587,193.35
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	**103,006,282.00**	103,006,282.00
Share premium account	**24,525,353.70**	24,525,353.70
Fair value reserve	**18 073 336.01**	1,378,287.63
Unrestricted equity reserve	**40,882,508.10**	40,882,508.10
Retained earnings	**352,238,814.85**	351,077,461.36
Result for the reporting period	**62,571,395.36**	52,664,494.49
Total shareholders' equity	**601,297,690.02**	573,534,387.28
Statutory provisions		
Pension obligation	**640,000.00**	562,000.00
Liabilities		
Long-term liabilities		
Deferred tax liability	**7,669,310.61**	11,970,828.18
Interest-bearing	**148,545,457.10**	162,783,221.09
	156,214,767.71	174,754,049.27
Current liabilities		
Interest-bearing	**217,780,266.03**	172,192,864.62
Interest-free	**65,609,524.40**	56,543,892.18
	283,389,790.43	228,736,756.80
Total liabilities	**439,604,558.14**	403,490,806.07
Total shareholders' equity and liabilities	**1,041,542,248.16**	977,587,193.35

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CASH FLOW STATEMENT, PARENT COMPANY, FAS

EUR	1 Jan–31 Dec 2021	1 Jan–31 Dec 2020
Cash flows from operating activities		
Result for the reporting period	**62,571,395.36**	52,664,494.49
Adjustments for:		
Depreciation, amortisation & impairment loss	**47,221,306.66**	33,380,705.01
Gains (-) and Losses (+) of disposals of fixed assets and other non-current assets	**-23,269.00**	-172,637.94
Financial income and expenses	**3,688,356.21**	4,166,014.50
Income taxes	**-4,213,738.44**	-2,793,067.85
Other adjustments	**1,000,000.00**	2,100,000.00
	110,244,050.79	89,345,508.21
Changes in working capital:		
Change in inventories, addition (-) and decrease (+)	**-1,867,209.90**	186,344.30
Change in accounts receivable, addition (-) and decrease (+)	**-21,662,045.47**	-1,097,592.57
Change in accounts payable, addition (+) and decrease (-)	**10,189,203.09**	4,207,034.87
Change in provisions	**78,000.00**	-26,000.00
	-13,262,052.28	3,269,786.60
Interest paid	**-3,313,463.61**	-3,864,195.58
Dividends received	**270.00**	0.00
Interest received	**1,180,962.56**	1,625,298.84
Other financing items	**-1,511,752.07**	-2,077,997.14
Income taxes paid	**-87,778.13**	-96,445.46
	-3,731,761.25	-4,413,339.34
Net cash generated from operating activities	**93,250,237.26**	88,201,955.47
Cash flows from investing activities		
Investments in tangible and intangible assets	**-71,099,874.45**	-42,510,426.68
Proceeds from sale of tangible and intangible assets	**88,297.87**	163,066.75
Purchase of investments, change	**-27,051,122.14**	0.00
Change in internal loans (net)	**26,145,958.53**	37,701,854.90
Net cash used in investing activities	**-71,916,740.19**	-4,645,505.03
Net cash before financing activities	**21,333,497.07**	83,556,450.44
Cash flows from financing activities		
Proceeds from short-term borrowings	**62,818,170.44**	546,008.63
Repayment of short-term borrowings	**-17,230,769.00**	-3,003,203.01
Proceeds of long-term borrowings	**232,000,000.00**	54,000,000.00
Repayment of long-term borrowings	**-246.237,763.99**	-88,776,222.99
Dividends paid	**-51,503,141.00**	-51,503,141.00
Group contributions	**-1,000,000.00**	-2,100,000.00
Net cash used in financing activities	**-21,153,503.55**	-90,836,558.37
Change in cash and cash equivalents	**179,993.52**	-7,280,107.93
Cash and cash equivalents on 1 January	**1,102,924.76**	8,383,032.69
Cash and cash equivalents on 31 December	**1,282,918.28**	1,102,924.76

This page is an extract of the audited Financial Statements. The complete audited Financial Statements of the Group and the parent company are available at www.finnlines.com. The extracts of the audited Financial Statements presented in the Annual Report should be viewed together with the complete and audited Financial Statements.

FIVE-YEAR KEY FIGURES, IFRS

EUR million	2021	2020	2019	2018	2017 restated
Revenue	**579.9**	484.0	574.8	589.4	536.3
Other income from operations	**1.9**	1.3	1.4	6.4	2.6
Result before interest, taxes, depreciation and amortisation (EBITDA)	**160.3**	140.8	169.8	166.4	152.3
% of revenue	**27.6**	29.1	29.5	28.2	28.4
Result before interest and taxes (EBIT)	**78.2**	76.2	104.8	104.9	93.9
% of revenue	**13.5**	15.7	18.2	17.8	17.5
Result before taxes (EBT)	**73.8**	70.6	97.3	94.8	82.4
% of revenue	**12.7**	14.6	16.9	16.1	15.4
Result for reporting period, continuing operations	**74.7**	69.7	98.3	95.1	82.6
% of revenue	**12.9**	14.4	17.1	16.1	15.4
Result for reporting period	**74.7**	69.7	98.3	95.1	82.6
% of revenue	**12.9**	14.4	17.1	16.1	15.4
Total investments *	**110.6**	50.6	31.4	134.0	48.9
% of revenue	**19.1**	10,5	5.5	22.7	9.1
Return on equity (ROE), %	**10.0**	9.7	14.3	14.9	13.7
Return on investment (ROI), %	**7.2**	7.0	9.5	9.6	8.7
Assets total	**1,273.2**	1,199.4	1,226.9	1,245.9	1,205.9
Equity ratio, %	**60.4**	60.7	58.5	53.3	51.1
Net gearing, %	**45.6**	45.5	50.8	68.1	68.9
Average no. of employees	**1,576**	1,534	1,576	1,637	1,651
Earnings per share (EPS), EUR	**1.45**	1.35	1.91	1.85	1.60
Earnings per share (EPS) less warrant dilution, EUR	**1.45**	1.35	1.91	1.85	1.60
Shareholders’ equity per share, EUR	**14.84**	14.07	13.88	12.86	11.94
Adjusted average number of outstanding shares (1,000)	**51,503**	51,503	51,503	51,503	51,503
Adjusted number of outstanding shares 31 Dec (1,000)	**51,503**	51,503	51,503	51,503	51,503
Number of outstanding shares at year-end (1,000)	**51,503**	51,503	51,503	51,503	51,503

* Includes continuing and discontinuing operations.

Calculation of key ratios is presented on page 42.

This page is an extract of the audited Financial Statements. The complete audited Financial Statements of the Group and the parent company are available at www.finnlines.com. The extracts of the audited Financial Statements presented in the Annual Report should be viewed together with the complete and audited Financial Statements.

CALCULATION OF KEY RATIOS, IFRS

Earnings per share (EPS), EUR = $\dfrac{\text{Result attributable to parent company shareholders}}{\text{Weighted average number of outstanding shares}}$

Shareholders' equity per share, EUR = $\dfrac{\text{Shareholders' equity attributable to parent company shareholders}}{\text{Undiluted number of shares at the end of period}}$

Return on equity (ROE), % = $\dfrac{\text{Result for the reporting period}}{\text{Total equity (average)}} \times 100$

Return on investment (ROI), % = $\dfrac{\text{Result before tax + interest expense+ other liability expenses}}{\text{Assets total – interest-free liabilities (average)}} \times 100$

Net gearing, % = $\dfrac{\text{Interest-bearing liabilities* – cash and bank equivalents}}{\text{Total equity}} \times 100$

Equity ratio, % = $\dfrac{\text{Total equity}}{\text{Assets total – received advances}} \times 100$

Net debt to EBITDA ratio = $\dfrac{\text{Net Debt}}{\text{EBITDA past 12 months}}$

* Not including leasing liabilities.

The recognised income taxes are based on the year's estimated average income tax rate which is expected to realise during the entire reporting period.

Finnlines Plc's Shipping and Sea Transport Services transferred to tonnage-based taxation in January 2013.

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QUARTERLY DATA, IFRS

EUR million	Q1/2021	Q1/2020	Q2/2021	Q2/2020	Q3/2021	Q3/2020	Q4/2021	Q4/2020
Revenue by segment								
Shipping and Sea Transport Services total	**117.8**	124.7	**140.3**	100.4	**149.2**	121.2	**148.0**	115.4
Sales to third parties	**117.9**	124.8	**140.4**	100.5	**149.3**	121.3	**148.1**	115.5
Sales to Port Operations	**-0.1**	-0.1	**-0.1**	-0.1	**-0.1**	-0.1	**-0.1**	-0.1
Port Operations total	**11.7**	10.9	**12.5**	10.4	**11.3**	10.6	**11.5**	10.9
Sales to third parties	**6.2**	5.7	**6.4**	5.3	**5.8**	5.5	**5.9**	5.4
Sales to Shipping and Sea Transport Services	**5.5**	5.2	**6.1**	5.1	**5.5**	5.1	**5.6**	5.5
Group internal revenue	**-5,4**	-5.1	**-6.0**	-5.0	**-5.4**	-5.1	**-5.6**	-5.4
Revenue total	**124.1**	130.5	**146.8**	105.8	**155.1**	126.7	**154.0**	120.9
Result before interest and taxes per segment								
Shipping and Sea Transport Services	**13.2**	21.5	**22.9**	11.4	**32.8**	23,0	**4.6**	16.6
Port Operations	**0.9**	0.6	**1.5**	0.8	**1.2**	1.4	**1.0**	0.9
Result before interest and taxes (EBIT) total	**14.1**	22.1	**24.4**	12.2	**34.0**	24.5	**5.7**	17.5
Financial income and expenses	**-1.1**	-1.5	**-1.2**	-1.4	**-1.1**	-1.5	**-1.0**	-1.2
Result before tax (EBT)	**13.0**	20.6	**23.2**	10.7	**32.9**	23.0	**4.6**	16.3
Income taxes	**0.2**	0.1	**-0.1**	0.2	**-0.2**	-0.5	**1.1**	-0.8
Result for the reporting period	**13.2**	20.7	**23.1**	11.0	**32.7**	22.5	**5.7**	15.6
Quarterly consolidated key figures								
Result before interest and taxes, (% of revenue)	**11.4**	16.9	**16.6**	11.5	**21.9**	19.3	**3.7**	14.5
Earnings per share, EUR	**0.26**	0.40	**0.45**	0.21	**0.63**	0.44	**0.11**	0.30
Average number of outstanding shares (1,000)	**51,503**	51,503	**51,503**	51,503	**51,503**	51,503	**51,503**	51,503

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BOARD'S PROPOSAL FOR THE USE OF THE DISTRIBUTABLE FUNDS AND SIGNATURES TO THE BOARD OF DIRECTORS' REPORT AND TO THE FINANCIAL STATEMENTS

Distributable funds included in the parent company's shareholders' equity on 31 December 2021:

Retained earnings	EUR	352,238,814.85
Unrestricted equity reserve	EUR	40,882,508.10
Result for the reporting period	EUR	62,571,395.36
Distributable funds total	**EUR**	**455,692,718.31**

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 1.00 per share be paid out resulting in a total amount of proposed dividends of EUR 51,503,141.

Naples, 24 February 2022

Jon-Aksel Torgersen
Chairman of the Board

Tiina Bäckman

Gianluca Grimaldi

Guido Grimaldi

Mikael Mäkinen

Diego Pacella

Esben Poulsson

Tapani Voionmaa

Emanuele Grimaldi
President and CEO

THE AUDITOR'S NOTE
Our auditor's report has been issued today.

Helsinki, 24 February 2022

KPMG Oy Ab

Kimmo Antonen
Authorized Public Accountant

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AUDITOR'S REPORT

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

To the Annual General Meeting of Finnlines Oyj

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of Finnlines Plc (business identity code 0201153-9) for the year ended 31 December, 2021. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including a summary of significant accounting policies, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the

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audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other reporting requirements

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Other opinions

We support that the financial statements should be adopted. The proposal by the Board of Directors regarding the use of the profit shown in the balance sheet is in compliance with the Limited Liability Companies Act. We support that the Members of the Board of Directors and the Managing Director should be discharged from liability for the financial period audited by us.

Helsinki 24 February 2022
KPMG OY AB

Kimmo Antonen
KHT

Auditors' report issued for the Board of Directors' report and Financial Statements for the year ended on 31 December 2021 is available at www.finnlines.com.

CORPORATE GOVERNANCE STATEMENT

Finnlines Plc applies the guidelines and provisions of the Finnish Limited Liability Companies Act and its own Articles of Association. Finnlines also applies the Finnish Corporate Governance Code for listed companies entered into force on 1 January 2020 with regard to Finnlines' Corporate Governance Statement for the financial period ended on 31 December 2021. The Code is publicly available at www.cgfinland.fi. This Corporate Governance Statement has been approved by Finnlines' Board.

Tasks and responsibilities of governing bodies

Management of the Finnlines Group is the responsibility of the Board of Directors elected by the General Meeting as well as of the President and CEO appointed by the Board of Directors. Their duties are for the most part defined by the Finnish Limited Liability Companies Act. Day-to-day operational responsibility lies with the members of the Extended Board of Management supported by the relevant staff and service functions.

General Meeting of Shareholders

The ultimate decision-making body in the Company is the General Meeting of Shareholders. It resolves issues as defined for the General Meeting in the Finnish Limited Liability Companies' Act and the Company's Articles of Association. These include approving the financial statements, deciding on the distribution of dividends, discharging the Company's Board of Directors and CEO from the liability for the financial year, appointing the Company's Board of Directors and auditors and deciding on their remuneration.

A General Meeting of Finnlines Plc is held at least once a year. The Annual General Meeting (AGM) must be held no later than the end of June. The notice to the Shareholders' Meeting shall be given no earlier than three (3) months before the Shareholders' Meeting and no later than one (1) week before the Shareholders' Meeting.

Annual General Meeting 2021

Finnlines Plc's Annual General Meeting was held in Helsinki on 6 May 2021. The Annual General Meeting of Finnlines Plc approved the Financial Statements and discharged the members of the Board of Directors and President and CEO from liability for the financial year 2020. The meeting approved the Board of Directors' proposal to pay a dividend of EUR 1.00 per share.

The meeting decided that the number of Board Members be nine. The meeting decided to re-elect from the current board members Tiina Bäckman, Emanuele Grimaldi, Gianluca Grimaldi, Guido Grimaldi, Mikael Mäkinen, Diego Pacella, Esben Poulsson, Jon-Aksel Torgersen and Tapani Voionmaa for the term until the close of the Annual General Meeting in 2022. The yearly compensation to the Board will remain unchanged as follows: EUR 50,000 for the Chairman, EUR 40,000 for the Vice Chairman, and EUR 30,000 for each of the other members of the Board.

The Annual General Meeting elected KPMG Oy Ab as the Company's auditor for the fiscal year 2021. It was decided that the external auditors will be reimbursed according to invoice.

Board of Directors

Responsibility for the management of the Company and proper organisation of its operations lies with the Company's Board of Directors, which has at least five (5) and at most eleven (11) members. The members of the Board are appointed by AGM for one year at a time.

The majority of the directors shall be independent of the Company and at least two of the directors representing this majority shall be independent from significant shareholders of the Company. Information on the Board composition, Board members and their independence can be found on Finnlines' website. The President and CEO is a member of the Board.

The proposal for the Board composition shall be included in the notice of AGM. The names of candidates for membership of the Board of Directors, put forward by the Board of Directors or by shareholders with a minimum holding of 10% of the Company's voting rights, are published in the notice of the AGM, provided that the candidates have given their consent to the election. The candidates proposed thereafter shall be disclosed separately.

The Board elects a chairman and a deputy chairman from among its members. The Board steers and supervises the Company's operations, and decides on policies, goals and strategies of major importance. The principles applied by the Board in its regular work are set out in the Rules of Procedure approved by the Board. The Board handles all issues in the presence of the entire Board. The Board does not have any separate committees. The Board considers all the matters stipulated to be the responsibility of a board of directors by legislation, other provisions and the Company's Articles of Association. Due to the limited extent of the Company's business, it is considered effective that the entire Board also handles the duties of the audit committee, the nomination committee as well as those of the remuneration committee.

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The main duties and working principles drawn up by the Board are:

- the annual and interim financial statements
- the matters to be put to General Meetings of Shareholders
- appointment and dismissal of the President and CEO, the Deputy CEO, if any, and the members of the Executive Committee
- approval of internal supervision and organisation of the Company's financial supervision
- other matters related to the duties of the audit committee mentioned in the Finnish Corporate Governance Code
- approval of the Group's strategic plan and long-term goals
- approval of the Group's annual business plan and budget
- decisions concerning investments, acquisitions, or divestments that are significant or that deviate from the Group's strategy
- decisions on raising long-term loans and the granting of security or similar collateral commitments
- risk management principles
- the Group's organisational structure
- approval of the remuneration and pension benefits of the President and CEO, the Deputy CEO, if any, and the members of the Executive Committee
- monitoring and assessment of the performance of the President and CEO.

In addition to matters requiring decisions, Board meetings are given updates on the Group's operations, financial position and risks.

The Board of Directors reviews its operations and working methods annually. The Board convenes 6–8 times a year following a predetermined schedule. In addition to these meetings, the Board convenes as necessary.

Board of Directors 2021

In 2021, the Board consisted of nine members:

- Jon-Aksel Torgersen, Chairman of the Board, born 1952, MBA, Advisor to the Board, Astrup Fearnley AS, attended meetings: 6/6
- Diego Pacella, Vice Chairman of the Board, born 1960, Degree with honours in Mech. Eng., Managing Director of Grimaldi Group S.p.A., attended meetings: 6/6
- Christer Backman, born 1945, M.Pol.Sc., attended meetings: 1/1; Member of the Board until 6 May 2021.
- Tiina Bäckman, born 1959, Master of Laws, Chairman of the Board of Pension Foundation of Rautaruukki, attended meetings: 6/6
- Emanuele Grimaldi, born 1956, Degree in Economics and Commerce, Managing Director of Grimaldi Group S.p.A., President and CEO of Finnlines Plc, attended meetings: 6/6
- Gianluca Grimaldi, born 1955, Degree in Economics and Commerce, President of Grimaldi Group S.p.A., attended meetings: 6/6
- Guido Grimaldi, born 1983, Degree in Economics, MBA, Corporate Short Sea Shipping Commercial Director, Grimaldi Group, attended meetings: 6/6
- Mikael Mäkinen, born 1956, Master of Science, Engineering, Chairman of the Board, Valmet Corporation, attended meetings: 6/6
- Esben Poulsson, born 1948, Diploma in Business Administration, Chairman & CEO, Enesel Pte. Ltd., attended meetings: 6/6
- Tapani Voionmaa, born 1951, Master Mariner, LL.M., Post Graduate Diplomas, Finnlines Group's Senior Advisor until 28 February 2021, attended meetings: 6/6

During 2021, Finnlines Plc's Board of Directors held 6 meetings.

The present Board of Directors can be found on Finnlines' website: www.finnlines.com/company > About us > Organization & Management

Independence of the Board of Directors

Five members, Christer Backman, Tiina Bäckman, Mikael Mäkinen, Esben Poulsson and Jon-Aksel Torgersen, are independent of the Company and of the major shareholders. Gianluca Grimaldi is independent of the Company but not of its major shareholders. Gianluca Grimaldi and Emanuele Grimaldi are shareholders of Grimaldi Group S.p.A. and in addition the Board has, based on an overall analysis, considered that Guido Grimaldi (the son of Emanuele Grimaldi) and Diego Pacella (spouse of shareholder) through the said relationships are non-independent of the major shareholders due to family relationship. Emanuele Grimaldi is and Tapani Voionmaa was dependent of the Company as Emanuele Grimaldi works as President and CEO and Tapani Voionmaa worked as the Group's Senior Advisor of the Company until 28 February 2021.

President and CEO and Deputy CEO

The Board of Directors appoints a President for the Group who is also its Chief Executive Officer. The President and CEO is in charge of the day-to-day management of the Company and its administration in accordance with the Company's Articles of Association, the Finnish Limited Liability Companies Act and the instructions of the Board of Directors. He is assisted in this work by the Executive Committee. The current President and CEO of the Company is Emanuele Grimaldi (born 1956, Degree in Economics and Commerce, University of Naples, Italy). He does not receive any compensation or other benefit in the form of salary, bonus or pension benefit from the Company.

The Board of Directors appoints, if necessary, a Deputy CEO. The current Vice President and Deputy CEO of the Company is Tom Pippingsköld.

Executive Committee and Board of Management

The members of the Executive Committee are appointed by the Board of Directors. The Executive Committee convenes regularly, and is chaired by the President and CEO. The Executive Committee supports the President and CEO in his duties in implementing Group-level strategies and guidelines, in coordinating the Group's management, in finding practical solutions for reaching the targets determined by the Board, and in supervising the Company's operations.

The Company has a Board of Management, headed by the President and CEO, which consists of the members of the Executive Committee and the heads of functions and Line Managers as well as heads of the main agencies. The heads of functions are responsible for the sales volumes and profitability of their respective units. The Board of Management supports the Executive Committee in their work upon request.

The Company has an Extended Board of Management, headed by the President and CEO, which comprises, in addition to the Board of Management, heads of other agencies as well as Junior Managers. The Extended Board of Management convenes regularly to discuss operative issues related to the Group business and service products.

The retirement age of the members of the Extended Board of Management is based on local laws and there are no special pension schemes in place.

Information on the members of the Executive Committee, the Board of Management, and the Extended Board of Management, including their areas of responsibility, is given on Finnlines' website: www.finnlines.com/company > About us > Organization & Management

Compensation

The remunerations paid to the members of the Board of Management, and the principles underlying it, are determined by the Board of Directors.

The members of the Extended Board of Management are included in a bonus scheme which is decided by the Board of Directors on a yearly basis. The Board of Directors also decides on any separate performance-based compensation schemes for the management.

The bonuses are paid in cash. There are no other bonus schemes.

Remuneration in 2021

The annual remuneration for the Board of Directors in 2021 was EUR 50,000 for the Chairman, EUR 40,000 for the Vice Chairman and EUR 30,000 for the other Board members. The remuneration of the Board of Directors has remained the same as from 2008.

A detailed specification of the management contracts, salaries, remuneration and benefits paid in 2021 is given in the Financial Statements of 2021, Transactions with Related Parties, and in Finnlines' Remuneration Statement 2021 on Finnlines' website: www.finnlines.com/company > About us > Corporate Governance > Compensation

Internal audit

The Group's internal audit is handled by the Company's Internal Audit unit, which reports to the President and CEO.

The purpose of the Internal Audit is to analyse the Company's operations and processes and the effectiveness and quality of its supervision mechanisms. The unit assists Finnlines to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the internal control and governance processes. The Internal Audit unit carries out its task by determining whether the Company's risk management, internal control and governance processes, as designed and represented by the management, are adequate and functioning in a manner to ensure that:

- Risks are appropriately identified and managed.
- Interaction with the various governance groups occurs as needed.
- Significant financial, managerial and operating information is accurate, reliable and timely.
- Employees' actions are in compliance with policies, standards, procedures and applicable laws and regulations.

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- Resources are acquired economically, used efficiently and adequately protected.
- Programmes and plans are properly implemented and objectives are achieved.
- Quality and continuous improvement are fostered in the Company's internal control processes.
- Significant legislative or regulatory issues impacting the Company's internal controls are recognised and addressed appropriately.

The Internal Auditor prepares an annual plan using an appropriate risk-based methodology and taking into consideration potential risks or control concerns identified by the management. The scope of the audits within a fiscal year is planned so that it is representative and the focus is set on the business areas with the highest risk potentials. The plan is approved by the President and CEO. The Internal Auditor also carries out special tasks assigned by the Chairman, the President and CEO or the Board of Directors.

The Internal Auditor conducts the internal audits independently from operational units. In his auditing work, the auditor complies with the corporate governance, ethical principles, policies and other guidelines of the Company.

The audit reports are sent to the President and CEO and the CFO. The President and CEO and the CFO have at least once a year a closed session with the Internal Auditor about the results of the conducted audits and the plans for the next period. Relevant issues are also brought to the attention of the Board of Directors.

Risk management

Internal control in Finnlines is designed to support the Company in achieving its targets. The risks related to achievement of the targets need to be identified and evaluated in order to be able to manage them. Thus, identification and assessment of risks is a prerequisite for internal control in Finnlines.

Internal control mechanisms and procedures provide management with the assurance that the risk management actions are carried out as planned. Conscious and carefully evaluated risks are taken in selecting strategies, e.g. in expanding business operations, in enhancing market position and in creating new business.

Financial, operational and damage/loss risks are avoided or reduced. The continuity of operations is ensured by safeguarding critical functions and essential resources. Crisis management, continuity and disaster recovery plans are prepared. The costs and resources involved in risk management are in proportion to the obtainable benefits.

The Board of Directors of Finnlines is responsible for defining the Group's overall level of risk tolerance and for ensuring that Finnlines has adequate tools and resources for managing risks. The President and CEO, with the assistance of the Executive Committee, is responsible for organising and ensuring risk management in all Finnlines' operations.

Responsibilities for the Group's working capital, investments, financing, finances, human resources, communications, information management and procurement are centralised to the head office of the Company. The Group's payment transactions, external and internal accounting are managed centrally by the Financial Department, which reports to the CFO. The Group's foreign exchange and interest exposure is reviewed by the Board of Directors in each budgeting period. External long-term loan arrangements are submitted to the Board of Directors for approval.

The Corporate Legal Affairs and Insurance unit is responsible for risks associated with the Company's noncurrent assets and any interruptions in operations, as well as for the management and coordination of the Group's insurance policies. The majority of the Group's non-current assets consists of its fleet. The fleet is always insured to its full value. The financial position and creditworthiness of the Group's customers are monitored continuously in order to minimise the risk of customer credit losses.

Each business unit has a responsible controller who reports to the head of the relevant business unit and to the Group CFO. The heads of Finnlines' business units are responsible for the profit and working capital of their units. They set the operational targets for their units and ensure that resources are used efficiently and that operations are evaluated and improved.

Finnlines' most important strategic, operative and financial risks are described in the Financial Statements 2021, Financial Risk Management.

Internal control over the financial reporting

Monitoring is a process that assesses the quality of Finnlines' system of internal control and its performance over time. Monitoring is performed both on an ongoing basis, and through separate evaluations including internal, external and quality audits. The business unit is responsible for ensuring that relevant laws and regulations are complied with in their respective responsibility areas.

The Internal Audit function assists the President and CEO and the Board of Directors in assessing and assuring the adequacy and effectiveness of internal controls and risk management by performing regular audits in the Group's legal entities and support functions according to its annual plan. Finnlines' external auditor and other assurance providers such as external quality auditors conduct evaluations of the Company's internal controls.

The Company's financial performance is reviewed at each Board meeting. The Board reviews all interim and annual financial reports before they are released. The effectiveness of the process for assessing risks and the execution of control activities are monitored continuously at various levels. This involves reviews of results in comparison with budgets and plans. Responsibility for maintaining an effective control environment and operating the system for risk management and internal control of financial reporting is delegated to the President and

CEO. The internal control in the Company is based on the Group's structure, whereby the Group's operations are organised into two segments and various business areas and support functions. Group functions issue corporate guidelines that stipulate responsibilities and authority, and constitute the control environment for specific areas, such as finance, accounting, and investments, purchasing and sales.

The Company has a compliance programme. Standard requirements have been defined for internal control over financial reporting. The management expects all employees to maintain high moral and ethical standards and those expectations are communicated to the employees through internal channels.

The Group Finance & Control unit monitors that the financial reporting processes and controls are being followed. It also monitors the correctness of external and internal financial reporting. The external auditor verifies the correctness of external annual financial reports.

The Board monitors the statutory audit of the financial statements and consolidated financial statements, evaluates the independence of the statutory auditor or audit firm, particularly the provision of related services to the Company and prepares the proposal for resolution on the election of the auditor.

The Board reviews annually the description of the main features of the internal control and risk management systems in relation to the financial reporting process, which is included in this Corporate Governance Statement.

Information management

An effective internal control system needs sufficient, timely and reliable information to enable the management to follow up the achievement of the Company's objectives. Both financial and non-financial information is needed, relating to both internal and external events and activities.

Information management plays a key role in Finnlines' internal control system. Information systems are critical for effective internal control as many of the control activities are programmed controls.

The controls embedded in Finnlines' business processes have a key role in ensuring effective internal control in Finnlines. Controls in the business processes help ensure the achievement of all the objectives of internal control in Finnlines, especially those related to the efficiency of operations and safeguarding Finnlines' profitability and reputation. Business units and IT management are responsible for ensuring that in their area of responsibility the defined Group-level processes and controls are implemented and complied with. Where no Group-level processes and controls exist, business units and IT management are responsible for ensuring that efficient business level processes with adequate controls have been described and implemented.

The proper functioning of Finnlines' information systems is guaranteed through extensive and thorough security programs and emergency systems.

Insider management

Finnlines' shares or other securities are not listed. Therefore, Finnlines does not apply MAR or other regulations applicable to inside information relating to listed issuers.

Related party transactions

The Company will assess and monitor transactions carried out with related parties and ensure that any conflicts of interests will be appropriately considered in the Company's decision-making in accordance with the applicable provisions of the Limited Liability Companies Act. The Company maintains a list of related parties in its Group administration.

The Company provides information on related party transactions according to the Limited Liability Companies Act and regulations governing the preparation of the financial statements in the review by the Board of Directors and notes to the financial statements.

External audit

The Company has one auditor which shall be an auditing firm authorised by the Central Chamber of Commerce. The auditor is elected by the Annual General Meeting to audit the accounts for the ongoing financial year and its duties cease at the close of the subsequent Annual General Meeting. The auditor is responsible for auditing the consolidated and parent company's financial statements and accounting records, and the administration of the parent company. On closing of the annual accounts, the external auditor submits the statutory auditor's report to the Company's shareholders, and also regularly reports the findings to the Board of Directors. An auditor, in addition to fulfilling general competency requirements, must also comply with certain legal independence requirements guaranteeing the execution of an independent and reliable audit.

Auditor in 2021

In 2021, the Annual General Meeting elected KPMG Oy Ab as the Company's auditor for the fiscal year 2021. Kimmo Antonen, APA, has been appointed the head auditor. It was decided that the external auditors be reimbursed according to invoice. In 2021, EUR 119 thousand was paid to the auditors in remuneration for the audit of the consolidated, parent company and subsidiary financial statements. During the same year, EUR 35 thousand was paid for consulting services not related to auditing.

Communications

The principal information on Finnlines' administration and management is published on the Company's website. All press releases are published on the Company's website as soon as they are made public.

BOARD OF DIRECTORS

Jon-Aksel Torgersen

Chairman of the Board

- Member of Finnlines Board since 2007
- Independent of the Company and major shareholders
- Chairman of the Board since 2013
- Astrup Fearnley AS, Advisor to the Board
- Born 1952, Master in Business Administration, University of St.Gallen, Switzerland

Current positions

- Atlantic Container Line AB, Chairman
- Awilco LNG ASA, Board Member
- Transportation Recovery Fund,L.P. Board Member and Member of the Investment Committee
- TRF Ship Management AS, Chairman of the Board
- Nautical Bulk Ltd, Board Member
- Awilco Eco Tankers AS, Board Member
- Chairman and Board Member of a number of private companies

Diego Pacella

Vice Chairman of the Board

- Member of Finnlines Board since 2007
- Independent of the Company
- Grimaldi Deep Sea S.p.A., President & Managing Director
- Grimaldi Group S.p.A., Managing Director
- Grimaldi Euromed S.p.A., Managing Director
- Born 1960, Degree in Mechanics Engineering, University of Naples, Italy

Current positions

- Minoan Lines, Greece, Board Member
- Malta Motorways of the Sea Ltd, Board Member
- Atlantic Container Line AB, Board Member
- Wallhamn AB, Board Member
- Marittima Spedizioni srl, President
- Finance Committee of Confitarma, Member

Tiina Bäckman

- Member of Finnlines Board since 2012
- Independent of the Company and major shareholders
- Pension Foundation of Rautaruukki (SSAB), Chairman of the Board
- Born 1959, Master of Laws LL.M., University of Lapland

Current positions

- OP Bank of Helsinki, Board Member and Board Audit Committee Member
- Arvo Invest Cooperative (Arvo Sijoitusosuuskunta), Board Member
- Aino Invest Nordic Oy, Board Member
- Nordlab laboratory consortium (Pohjois-Suomen laboratoriokeskus), Board Member
- Partnera (Oulun Puhelin) Oyj Pension foundation, Chairman of the Board
- Finland Chamber of Commerce, Redemption Board Member
- Finnish Medical Foundation, Advisory Board Member

Emanuele Grimaldi

- Member of Finnlines Board since 2006
- President and CEO of Finnlines Plc since 2013
- Grimaldi Group S.p.A., Managing Director
- Grimaldi Deep Sea S.p.A., Board Member
- Grimaldi Euromed S.p.A., President and Managing Director
- Born 1956, Degree in Economics and Commerce, University of Naples, Italy
- General Certificate of Education (scientific studies), Military School Nunziatella in Naples, Italy
- Honoured as Commander of the Order of the Lion of Finland in 2018

Current positions

- Minoan Lines, Greece, President
- Malta Motorways of the Sea Ltd, President
- Atlantic Container Line AB, Board Member
- International Chamber of Shipping (ICS), Vice-Chairman and Chair Designate
- European Community Shipowners' Associations, Past President and Board Member
- Interferry Inc, Board Member
- General Council of Confitarma (Italian Confederation of Shipowners), Member
- Council of Federazione del Mare (Italian Maritime Cluster), Member
- Short Sea Panel of ICS (International Chamber of Shipping), Member
- Board of Directors of the University of Naples Parthenope, Member
- Aspen Institute, Member
- VolaNapoli Onlus, Advisory Board Member
- Fondazione Grimaldi Onlus, Foundation, Board Member
- “Un Calcio per Tutti Onlus” Association, Honorary President

Gianluca Grimaldi

- Member of Finnlines Board since 2007
- Independent of the Company
- Grimaldi Group S.p.A., President
- Grimaldi Deep Sea S.p.A., Board Member
- Grimaldi Euromed S.p.A., Board Member
- Born 1955, Degree in Economics and Commerce, University of Naples, Italy
- Honoured as “Cavaliere del Lavoro” in 2014

Current positions

- Minoan Lines, Greece, Board Member
- Malta Motorways of the Sea, Board Member
- Atlantic Container Line AB, Board Member
- Antwerp Euro Terminal n.v. – Antwerp (Belgium), President

Guido Grimaldi

- Member of Finnlines Board since 2017
- Independent of the Company
- Born 1983, Degree in Economics, University Federico II of Naples, Italy and MBA Master “Automotive Logistics” of ECG Academy (European Vehicle Logistics Association)
- Corporate Commercial Director of Grimaldi Short Sea Shipping
- President of the agencies Grimaldi Sardegna & Grimaldi Catania
- Valencia Terminal Europa, Board Member
- Grimaldi Marangolo Terminal Catania, Board Member
- Grimaldi Logistica Genova, Board Member
- Grimaldi Maroc, Board Member
- Grimaldi Tunis, Board Member

Current positions

- ALIS, Logistic Association of Sustainable Intermodality, President
- Technical Group on Ecological transition, naval technology, regulation, research and development of Confitarma (Italian Confederation of Shipowners), President

Mikael Mäkinen

- Member of Finnlines Board since 2018
- Independent of the Company and major shareholders
- Born 1956, Master of Science, Helsinki University of Technology

Current positions

- Valmet Corporation, Chairman of the Board
- Aker Arctic, Chairman of the Board

Esben Poulsson

- Member of Finnlines Board since 2020
- Independent of the Company and major shareholders
- Chairman & CEO, Enesel Pte. Ltd., Singapore
- Born 1948, Diploma in Business Administration, British Columbia Institute of Technology - Vancouver, B.C., Canada

Current positions

- Tamar Ship Management Ltd., Hong Kong, Chairman
- Cambiaso Risso Asia Pte. Ltd, Singapore, Chairman
- BW Epic Kosan Ltd., Singapore, Board Member
- Nordic Shipholding A/S, Copenhagen, Chairman
- X-Press Feeders Ltd., Singapore, Senior Advisor to the Chairman
- Maritime & Port Authority of Singapore, Board Member
- International Chamber of Shipping, London, Chairman

Tapani Voionmaa

- Member of Finnlines Board since 2019
- Independent of the major shareholders
- Born 1951, Master Mariner, LL.M., University of Helsinki, Post Graduate Diplomas, King's College, London

Current positions

- Maritime Foundation (Merenkulun säätiö), Chairman of the Board until November 2021
- The Finnish Maritime Society, Member of the Board

EXECUTIVE COMMITTEE

Emanuele Grimaldi
- President and CEO of Finnlines Plc since 2013
- Member of the Executive Committee since 2012
- Born 1956, Degree in Economics and Commerce, University of Naples, Italy
- General Certificate of Education (scientific), Military School Nunziatella, Naples, Italy

Tom Pippingsköld
- Vice President and Deputy CEO
- CFO
- Member of the Executive Committee since 2013
- Born 1960, B.Sc., MBA

Thomas Doepel
- COO
- Head of Ship Management
- Head of Purchasing, Port Cost Control & Equipment
- Member of the Executive Committee since 2013
- Born 1974, M.Sc. (Econ.), Master Mariner, Executive MBA in Shipping and Logistics (Copenhagen Business School)

Staffan Herlin
- Head of Group Marketing, Sales and Customer Service
- Line Manager Germany, North Sea ro-ro
- Member of the Executive Committee since 2013
- Born 1958, M.Sc. (Econ.)

Mikael Lindholm
- Head of Newbuilding Department until 30 June 2021
- Member of the Executive Committee 2013–06/2021
- Born 1958, Master Mariner, Business management education

Antonio Raimo
- Line Manager NordöLink, FinnLink and Russia
- Member of the Executive Committee since 2013
- Born 1975, M.Sc. (Banking and Economics), Master in Business Administration

Kielo Vesikko
- Head of Passenger Services until 1 September 2021
- Line Manager HansaLink & Hanko/Helsinki–Rostock until 31 January 2022
- Member of the Executive Committee 2013–01/2022
- Born 1957, Diploma in Translation

Tapani Voionmaa
- Finnlines Group's Senior Advisor until 28 February 2021
- Member of the Executive Committee 2013–02/2021
- Born 1951, Master Mariner, LL.M., Pg Dipl

BOARD OF MANAGEMENT

(in addition to the Executive Committee)

Uwe Bakosch, Managing Director, Finnlines Deutschland GmbH
Domenico Ferraiuolo, Head of Port Operations
Agnieszka Walenciak, Line Manager Hanko–Gdynia
Kimmo Kostia, Head of Group IT, Hardware
Santeri Laakso, Head of Group Finance
Jan Laurell, Head of Group HR
Merja Kallio-Mannila, Deputy Head of Group Sales, Marketing & Customer Service; Head of Sales & Customer Service Finland*
Marco Palmu, Head of Passenger Services**
Mervi Pyökäri, Head of Legal, Insurance and Claims
Torkel Saarnio, Line Manager HansaLink & Hanko/Helsinki–Rostock & Helsinki–Aarhus; Head of Truck and Trailer Segment***
Sanna Simpanen-Mäenpää, Head of Group Analytics & Business Controlling
Kristiina Uppala, Head of Customer Service, Passenger Services & Onboard Concept Development Manager
Vesa Vähämaa, Head of Group IT, Software

EXTENDED BOARD OF MANAGEMENT

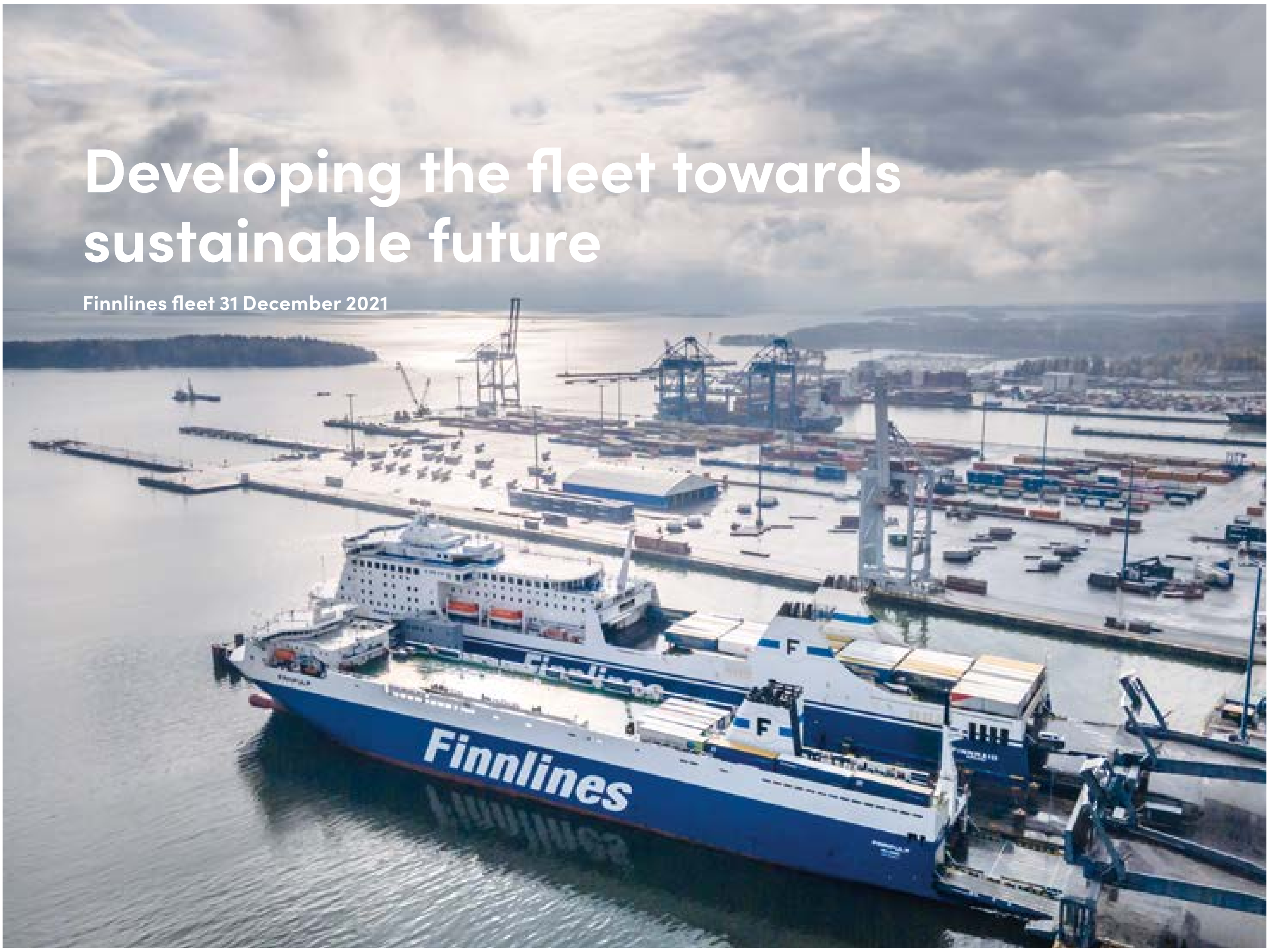
(in addition to the Board of Management)

Luc Hens, Managing Director, Finnlines Belgium N.V.
Rafal Kwapisz, Managing Director, Finnlines Poland
Kimmo Lehtinen, Deputy Head of Port Operations, Finnsteve****
Blasco Majorana, Traffic Manager, North Sea
Torsti Muuri, Traffic Manager, Baltic Sea
Rune Nielsen, Managing Director, Finnlines Denmark A/S
Brian Rolfe, Managing Director, Finnlines UK Limited

* Member since 1 January 2022
** Member since 1 September 2021
*** Member since 1 February 2022
**** Member until 15 March 2022.

Developing the fleet towards sustainable future

Finnlines fleet 31 December 2021



RO-PAX VESSELS

FINNMAID (2006)
FINNSTAR (2006)
FINNLADY (2007)
FINNSWAN (2007)

Length, o.a. (m)	218.8
Breadth, moulded (m)	30.5
DWT metric tons	9,043 / 9,061 / 8,840 / 8,870
GT	45,923
Total lane length (m)	4,215
Passengers	554
Speed (knots)	22
Ice Class	1A Super

EUROPALINK (2007)

Length, o.a. (m)	218.8
Breadth, moulded (m)	30.5
DWT metric tons	8,757
GT	46,124
Total lane length (m)	4,215
Passengers	554
Speed (knots)	22
Ice Class	1A Super

FINNCLIPPER (1999)
FINNFELLOW (2000)

Length, o.a. (m)	188.3
Breadth, moulded (m)	28.7
DWT metric tons	7,209 / 7,267
GT	33,958 / 33,724
Total lane length (m)	3,079 / 3,099
Passengers	831 / 440
Speed (knots)	22
Ice Class	1A

FINNPARTNER (1995 / 2007)
FINNTRADER (1995 / 2007)

Length, o.a. (m)	183.0
Breadth, moulded (m)	28.7
DWT metric tons	9,088 / 9,132
GT	33,313
Total lane length (m)	3,050
Passengers	280
Speed (knots)	21
Ice Class	1A Super

RO-RO VESSELS

FINNBREEZE (2011/2018)
FINNSEA (2011/2018)
FINNSKY (2012/2018)
FINNSUN (2012/2018)
FINNTIDE (2012/2017)
FINNWAVE (2012/2018)

Length, o.a. (m)	217.8
Breadth, moulded (m)	26.5
DWT metric tons	14,500
GT	33,816
Total lane length (m)	4,192
Speed (knots)	21
Ice Class	1A

FINNMERCHANT (2003)

Length, o.a. (m)	193.0
Breadth, moulded (m)	26.0
DWT metric tons	13,106
GT	23,235
Total lane length (m)	2,606
Speed (knots)	18
Ice Class	1A

FINNMILL (2002 / 2009)
FINNPULP (2002 / 2009)

Length, o.a. (m)	187.06
Breadth, moulded (m)	26.5
DWT metric tons	11,744 / 11,682
GT	25,732
Total lane length (m)	3,259
Speed (knots)	20
Ice Class	1A

FINNKRAFT (2000)
FINNHAWK (2001)

Length, o.a. (m)	162.5
Breadth, moulded (m)	20.6
DWT metric tons	9,041 / 9,035
GT	11,671
Total lane length (m)	1,853
Speed (knots)	20
Ice Class	1A Super

FINNMASTER (1998)

Length, o.a. (m)	154.5
Breadth, moulded (m)	22.7
DWT, metric tons	8,647
GT	12,433
Total lane length (m)	1,775
Speed (knots)	20
Ice Class	1A Super

Finnlines has a fleet of 21 vessels in its ownership.

Finnlines chartered in Eurocargo Savona (2011) in April 2021. The vessel is 193.0 metres long and has a capacity for 3,654 lane metres of rolling cargo.

DWT: Deadweight Tonnage (sea water density 1,025 kg/m^3)

GT: Gross Tonnage

NEWBUILDINGS

The hybrid ro-ro vessels are expected to start operation in 2022. The Superstar ro-pax vessels are expected to be delivered during 2023.

Hybrid ro-ro, FINNECO I, II, III

Length, o.a. (m)	238.00
Breadth, moulded (m)	34.0
DWT, metric tons	17,377
GT	60,515
Total lane length (m)	5,800
Speed (knots)	20
Ice Class	1A Super

Superstar ro-pax, FINNCANOPUS, FINNSIRIUS

Length, o.a. (m)	235.00
Breadth, moulded (m)	33.3
DWT, metric tons	11,500
GT	64,600
Total lane length (m)	5,200
Passengers	1,100
Speed (knots)	20
Ice Class	1A Super

OPERATING AREAS

Liner traffic area 31 December 2021

Finnlines' main operating areas are the Baltic Sea and the North Sea. Today, with more than 170 weekly freight and 80 passenger departures, Finnlines provides efficient shipping services.

CONTACT INFORMATION

Find us online
www.finnlines.com

Finnlines Plc
Komentosilta 1
00980 Helsinki, Finland
P.O. Box 197
00181 Helsinki, Finland
tel +358 10 343 50

Finnlines Deutschland GmbH
Einsiedelstraße 43–45
23554 Lübeck, Germany
P.O. Box 102222
23527 Lübeck, Germany
tel +49 451 150 70

Finnlines Belgium N.V.
Blikken Haven 1333
9130 Verrebroek, Belgium
tel +32 3 570 9530

Finnlines Danmark a/s
Multivej 16
8000 Aarhus C, Denmark
tel +45 86 206 650

Finnlines Polska Co. Ltd.
ul. Aleja Solidarnosci 1C
81336 Gdynia, Poland
tel +48 58 627 4239

Finnlines UK Ltd.
Finhumber House
Queen Elizabeth Dock Hedon Road
Hull HU9 5PB, Great Britain
tel +44 1482 377 655

Rederi AB Nordö-Link
Lappögatan 3B
21124 Malmö, Sweden
tel +46 40 176 800

Finnsteve Oy Ab
Komentosilta 1
00980 Helsinki, Finland
P.O. Box 225
00181 Helsinki, Finland
tel +358 10 565 60

The Grimaldi Group

With long experience dating back to 1947, the Grimaldi Group specialises in the operation of roll-on/roll-off vessels, car carriers and ferries. It is a dedicated supplier of integrated logistics services based on maritime transport to the world's major vehicle manufacturers.

Through its maritime services, the Naples-based Group also transports containers, palletised/unitised cargo and passengers with a modern fleet of more than 130 ro-ro / multipurpose vessels, pure truck and car carriers and ferries, of which over 120 are owned, with an average age significantly lower than the industry average as well as the useful life of the ships.

The Group's presence in the maritime transport of vehicles started in 1969 when it introduced a regular service between Italy and the UK. The Group rapidly gained the trust of the major car manufacturers who chose Grimaldi's vessels to transport their production from Northern Europe to various Mediterranean countries. Throughout the years, the Group rapidly developed and now serves over 140 ports in 50 countries in the Mediterranean Sea, Northern Europe, West Africa, North and South America. The shore personnel and crews total over 15,000 people.

The Grimaldi Group comprises seven shipping companies, namely: Grimaldi Deep Sea, operating in the transport of rolling cargo and containers on the Atlantic routes and between the Mediterranean and West Africa; Grimaldi Euromed, specialized in the transport of rolling freight in Europe, in the Motorways of the Sea and in the transport of passengers in the Mediterranean with the Grimaldi Lines brand; Atlantic Container Line, which offers transport services for containers and rolling cargo between North America and North Europe; Malta Motorways of the Sea, shipowning company; Minoan Lines, operating in Greek cabotage for the transport of freight and passengers; Finnlines, operating in freight and passenger transport in the North and Baltic Sea; Trasmed GLE, active in the transport of freight and passengers between mainland Spain and the Balearic Islands.

The Grimaldi Group has also evolved to become a multimodal transport operator offering integrated logistics services. For this purpose, it currently operates, together with strategic partners, various car and container terminals totalling over 6 million sq. metres in the Mediterranean, Northern Europe and West Africa as well as trucking companies for the transport of cars and containers.

In recent years, the Group has also invested in the development of the "Motorways of the Sea" in the Mediterranean Sea, introducing new lines and modern ro-pax ferries. Currently, its network covers Italy, Spain, Malta, Tunisia, Morocco and Greece for the transport of trailers, cars and passengers.

In addition to the quality of its services, the Grimaldi Group has long stood out for its focus on environmental issues, which in recent years has resulted in a strong commitment and important investments aimed at increasing fuel efficiency, promoting the decarbonisation of the industry and reducing harmful emissions from its operations. Over the last years, the Group has designed, ordered and deployed increasingly eco-friendly vessels, implemented green retrofit programs for its already operational ships, participated in projects to reduce the environmental impact of terminal operations, joined international associations aiming at improving the whole shipping industry's green records.

Finally, the Grimaldi Group is the first Italian shipping company to have obtained the SMS, ISO 9001 and ISO 14001 certifications for Safety, Quality and Environment. Moreover, the Grimaldi Group is also the first shipping company in Italy to have been awarded the status of Authorized Economic Operator – Complete (AEO-F).

www.grimaldi.napoli.it

Photos:
Antti Angeria, Toni Panula, Sami Perttilä, 110th Street Productions and Finnlines' archives.

Finnlines
a Grimaldi Group company

Finnlines Plc
Komentosilta 1
00980 Helsinki, Finland
P.O.Box 197, 00181 HELSINKI, Finland
Phone +358 10 343 50
www.finnlines.com