

Statement on the Corporate Governance and Steering System

The statement on the corporate governance and steering system has been drawn up in accordance with Recommendation 54 of the Finnish Corporate Governance Code issued by the Securities Market Association, and with the provisions of the Securities Markets Act. The Finnish Corporate Governance Code is publicly available on the website of the Securities Market Association, at www.cgfinland.fi.

Finnvera plc is a specialised financing company owned by the State of Finland. For this reason, Finnvera complies with the recommendations of the Finnish Corporate Governance Code in terms of Recommendations 1, 3, 4, 11 and 12 whenever appropriate and applicable.

In addition to the parent company, Finnvera plc, the Finnvera Group is comprised of the following subsidiaries: Seed Fund Vera Ltd and Veraventure Ltd, which are engaged in venture capital investments; and Finnish Export Credit Ltd, which provides export credits and export financing based on withholding tax agreements and administers interest equalisation.

The statement on the corporate governance and steering system includes a description of the principal features of the internal control and risk management systems pertaining to the financial reporting process.

The Inspection Committee of Finnvera's Board of Directors has reviewed the statement and Finnvera's auditor, KPMG, has checked that the statement has been issued and that its description of the principal features of the internal control and risk management systems pertaining to the financial reporting process is in agreement with the financial statements.

Acts and rules governing the operations

Finnvera's operations are steered by the relevant legislation, the obligations laid down in international treaties, and the industrial and ownership policy goals determined by the State. The corporate governance of

Finnvera and its subsidiaries is organised according to the Limited Liability Companies Act and the Acts pertaining specifically to Finnvera.

Directive 2006/48/EC of the European Parliament and of the Council relating to the taking up and pursuit of the business of credit institutions states that the Directive on credit institutions does not apply to Finnvera. In consequence, Finnvera adheres to the recommendations of the Financial Supervisory Authority, whenever applicable.

However, when presenting reports and financial information, Finnvera – as an issuer of bonds – is bound by the guidelines of the Financial Supervisory Authority and the Securities Market Association, the Securities Market Act (746/2012), the Limited Liability Companies Act (624/2006), the stock exchange rules of NASDAQ OMX Helsinki and Oslo, and the decisions of the Ministry of Finance.

Finnvera draws up the consolidated financial statements, the parent company's financial statements, and interim reports in accordance with the International Financial Reporting Standards (IFRS). Appendices to the consolidated and parent company's financial statements also comply with Finnish accounting and corporate law.

Finnvera's press release on financial statements is published in February and the annual report in March. The press release on interim report for 1 January–31 March is published in April, for 1 January–30 June in August, and for 1 January–30 September in October. The annual reports and interim reports are published in Finnish, Swedish and English.

The auditors' report encompasses audits of Finnvera's accounting, financial statements, report on operations, and governance.

The goals of good corporate governance

The goal of good corporate governance, as practised by Finnvera, is to ensure transparency at all levels of the organisation. Finnvera's Board of Directors has approved

the key policies, principles and guidelines that steer the company's operations.

Finnvera's ethical guidelines comprehend the principles for good practices, guidelines for ensuring objectivity in decision-making and preparation as well as guidelines concerning insider information. Ethical guidelines apply to Finnvera's personnel as well as members of its administrative bodies.

The principles for good practices, confirmed by the Board of Directors, guide the personnel so that their actions solidify Finnvera's reputation and help Finnvera to attain its goals as a specialised financing company and as an expert esteemed by clients. The principles for good practices include guidelines on equality, commitment to purpose, objectivity, relativity, trust and on the principles of service and publicity.

The principles on impartiality aim to reinforce equity, neutrality and independence in Finnvera's operations. The guidelines on insider information clarify the concept of insider information for Finnvera's employees working as financial advisors so that they are better equipped to identify in advance what type of information on client enterprises is classified as insider information and to prevent its misuse.

Ownership and ownership policy

Finnvera plc is a specialised financing company owned 100 per cent by the State of Finland.

The Acts on Finnvera define the tasks whereby Finnvera influences the development of enterprise and employment in Finland. The Ministry of Employment and the Economy steers and oversees Finnvera's operations. The Enterprise and Innovation Department of the Ministry of Employment and the Economy is responsible for the ownership and industrial policy steering of Finnvera and sets industrial and ownership policy goals each year.

On the basis of the industrial and ownership policy goals set, an assessment is made on how well Finnvera has succeeded in promoting, for instance, entrepreneurship,

employment, the growth and internationalisation of enterprises, and export.

The ownership policy goals, confirmed by the Ministry of Employment and the Economy, apply to the cost-effectiveness of the company's operations and to capital adequacy. Finnvera must operate efficiently and improve the efficiency of its operations in accordance with the annual goals set by the Ministry of Employment and the Economy. Finnvera's capital adequacy must also be sufficient in order to ensure the company's ability to bear risks and to keep the costs of funding as reasonable as possible.

Administrative bodies of Finnvera

The corporate organs responsible for Finnvera's administration and operations are the General Meeting of Shareholders, the Supervisory Board, the Board of Directors, and Chief Executive Officer.

General Meeting of Shareholders

The General Meeting of Shareholders can make decisions on issues defined in the Limited Liability Companies Act, in the Articles of Association, and in the Act on the State Guarantee Fund (444/1998). The General Meeting of Shareholders elects the members and deputy members of the Supervisory Board and the Board of Directors, and the Chairs and Vice Chairs of both bodies as well as the auditors.

The Annual General Meeting is held yearly, by the end of June.

Supervisory Board

The Supervisory Board supervises the company's administration. It gives the Annual General Meeting its opinion on the financial statements and the auditors' report, and counsels on issues that concern considerable reduction or expansion of the company's operations or substantial reorganisation of the company. The Supervisory Board also issues guidelines to the Board of Directors concerning far-reaching or principally important matters.

The company has a Supervisory Board consisting of at least eight (8) and at most eighteen (18) members. The General Meeting of Shareholders elects the members of the Supervisory Board for a term of one year.

In 2013, the Supervisory Board had 18 members and met 8 (8) times. The average attendance rate at the Supervisory Board meetings was 84 per cent (79).

Members on 31 December 2013

Chairman

Johannes Koskinen, Member of Parliament (Social Democratic Party)

Vice Chairman

Lauri Heikkilä, Member of Parliament (The Finns Party)

Members

Paula Aikio-Tallgren, Entrepreneur, Virvatuli-Valaisimet Oy
Kaija Erjanti, Head of Financial Markets, Federation of Finnish Financial Services

Helena Hakkarainen, Finance Manager, Finnvera Plc
Lasse Hautala, Member of Parliament (Finnish Centre Party)

Miapetra Kumpula-Natri, Member of Parliament (SDP)

Leila Kurki, Senior Adviser, Finnish Confederation of Professionals STTK

Esko Kurvinen, Member of Parliament (National Coalition Party)

Kasper Launis, Chairman, Suomen Ekonomiliitto SEFE ry

Anna Lavikkala, Labour Market Director, Federation of Finnish Commerce

Jari Myllykoski, Member of Parliament (The Left Alliance)

Lea Mäkipää, Member of Parliament (The Finns Party)

Antti Rantakangas, Member of Parliament (Finnish Centre Party)

Osmo Soininvaara, Member of Parliament (The Greens of Finland)

Timo Vallittu, Chairman, Industrial Union – TEAM

Sofia Vikman, Member of Parliament (National Coalition Party)

Antti Zitting, Chairman, Sacotec Components Oy

- www.finnvera.fi/eng > Annual Report > Corporate Governance > Supervisory Board
- www.finnvera.fi/eng > Finnvera > Finnvera in brief > Organisation > Supervisory Board

Board of Directors

The Board of Directors is responsible for the company's administration and for the proper organisation of activities and approves the company's strategy and annual plans, the interim reports and the financial statements, as well as the risk management principles.

The Board advances the company's development and ensures that the operations conform to law and meet the goals set by the owner. The Board ensures the supervision of accounting and asset management and approves other matters of principle. The Board also decides important individual cases of financing.

The Board of Directors steers and supervises Finnvera's executive management and ensures the functioning of the management system. The Board decides on the appointment and dismissal of the company's Chief Executive Officer, the CEO's Deputy, and other members of the company's senior management.

The division of operational duties and business-related decision-making between the Board of Directors, the Chief Executive Officer and other management has been separately agreed.

Finnvera's Board of Directors is comprised of a minimum of six (6) members and a maximum of nine (9) members. One Board member is elected among candidates named by the Ministry of Employment and the Economy and one among candidates named by the Ministry of Finance. The Board members are elected for a term of one year.

In 2013, the Board of Directors had 9 (7) members from January to April and 7 (9) from May to December. In general, the Board met in 2013 every fourth week for a total of 14 (15) times. The regular members' average attendance rate at Board meetings was 96 (91) per cent.

Members on 31 December 2013

Chairman

Markku Pohjola, b. 1948
B.Sc. (Econ.)

Markku Pohjola has been a Board member and Chairman since 30 March 2012. He is also Chairman of the Board of Tieto Corporation and a member of the Board of Onvest Oy. Between 1972 and 2008, Pohjola held executive posts in Nordea and its predecessor banks, most recently as Deputy Group CEO and Country Senior Executive of Nordea in Finland.

First Vice Chairman

Pekka Timonen, b. 1960
Doctor of Law

Pekka Timonen has been a Finnvera Board member since April of 2013. He was a researcher and teacher at the University of Helsinki in 1984–2001, served as a consulting official in ownership steering affairs for the Ministry of Trade and Industry in 2001–2007, Director General of the Ownership Steering Department for the Prime Minister’s Office in 2007–2012 and since the beginning of 2013 Head of Department, Director General, Labour and Trade Department, at the Ministry of Employment and the Economy.

Second Vice Chairman

Marianna Uotinen, b. 1957
Master of Laws

Marianna Uotinen has been a Board member since April of 2013. She has served as a Specialist Counsel for Financial Markets Regulation at the Ministry of Finance since 2007. She held advisory and supervisory positions related to financing and the securities market at Nordea in 1985–2001 and Nokia Corporation in 2001–2006.

Kirsi Komi, b. 1963
LL.M.

Kirsi Komi has served on Finnvera’s Board of Directors since April of 2013. Komi also sits on the Boards of the following companies: Metsä Board plc, Citycon plc, Martela plc, Patria plc (Vice Chairman), Docrates plc (Chairman) and Finnish Red Cross Blood Service (Chairman). During the period 1992–2010, Komi served as an attorney with the Nokia Corporation and then Vice President and Director, Legal Affairs at Nokia Networks. Her most recent position was with Nokia Siemens Networks as Director of Legal Affairs and member of the Executive Board.

Vesa Luhtanen, b. 1961
BScBA

Vesa Luhtanen has been a Finnvera Board member since April of 2013. He also sits on the Boards of the following organisations: Lahden Teollisuusseura (Chairman), PHP Liiketoiminta Oyj and PHP Holding Oy, Tekstiili- ja muotialat TMA, Design Foundation Finland (Chairman) and The Federation of Finnish Textile and Clothing Industries Finatex. Luhtanen serves as CEO of the L-Fashion Group and is a fourth-generation entrepreneur.

Risto Paaermaa, b. 1946
LL.Lic.

Risto Paaermaa has been on the Finnvera Board since 2012. He also sits on the Boards of the following organisations: Juho Vainio Foundation (Chairman) and Oy Langh Ship Ab. Paaermaa served as Director in the Enterprise and Innovation Department of the Ministry of Employment and the Economy until 30 November 2012. Starting in 1972, he held various posts in the Ministry for Foreign Affairs, the Ministry of Trade and Industry, the Ministry of Transport and Communications and the Ministry of Employment and the Economy. In 1987–1989 he served in the Permanent Delegation of Finland to the OECD in Paris.

Pirkko Rantanen-Kervinen, b. 1949
B.Sc. (Econ.)

Pirkko Rantanen-Kervinen has been a Board member since April of 2013. She is also Member of the Board of Raisio plc and Chairman of the Board of Local Tapiola Uusimaa Mutual Insurance Company. During the period 1974-2010, Rantanen-Kervinen served at various levels of management with Saga Furs plc, most recently as Managing Director.

Inspection Committee of the Board of Directors

The Inspection Committee assists Finnvera's Board of Directors in ensuring that the company's accounting and supervision of asset management are arranged appropriately and that internal control, risk management, auditing of the accounts and internal audit have been organised in accordance with laws, regulations and the operating principles confirmed by the Board of Directors.

The Inspection Committee has at least three (3) members. The Board of Directors selects the Inspection Committee's members and chairman from among the Board members, for a term of one year at a time.

Elected after the Annual General Meeting of 2013, the Inspection Committee is comprised of Board Member Kirsi Komi (Chairman), Second Vice Chairman Marianna Uotinen, Board Member Risto Paaermaa and Board Member Pirkko Rantanen-Kervinen.

In 2013, the Committee met four times and the members' attendance rate was 93 (100) per cent.

In addition to the Inspection Committee, the Board of Directors and the executive management monitor the results of operations by means of regular reporting. They also receive reports on risk management, evaluation of the quality system, internal auditing, and on the auditing of the accounts.

Remuneration Committee of the Board of Directors

The Remuneration Committee assists Finnvera's Board of Directors in managing issues pertaining to the

appointment, terms of employment and salaries of senior executives, and the rewards and incentive systems applied to the company management and personnel.

The Committee has at least three (3) members. The Board of Directors selects the Remuneration Committee's members and chairman from among the Board members, for a term of one year at a time.

The Remuneration Committee elected after the Annual General Meeting of 2013 comprises Chairman Markku Pohjola, Vice Chairman Pekka Timonen and Board Member Vesa Luhtanen.

In 2013, the Remuneration Committee met 5 times, with an attendance rate of 100 (100) per cent.

- www.finnvera.fi/eng > Annual Report > Corporate Governance > Board of Directors
- www.finnvera.fi/eng > Finnvera > Finnvera in Brief > Organisation > Board of Directors

The Report of the Board of Directors is presented in the Annual Report for 2013 on Finnvera's website.

- [Annual Report > Financial Statements](#)

Chief Executive Officer, Management Group and Corporate Management

The Chief Executive Officer is responsible for the company's operational administration in keeping with the guidelines and regulations issued by the Board of Directors. In management of the tasks specified in the Limited Liability Companies Act, the CEO is assisted by the Management Group and the Corporate Management Team.

Finnvera's operations are managed in accordance with the management organisation approved in the company.

- www.finnvera.fi/eng > Finnvera > Finnvera in Brief > Organisation > Management Group and Corporate Management

Salaries and fees

The fees paid to the members of the Supervisory Board and the Board of Directors comply with the recommendation issued by the Ministry of Employment and the Economy on fees paid to the administrative bodies of State-owned companies. The fees paid in 2013 totalled EUR 246,900.

The Board of Directors decides on the salaries paid to the Chief Executive Officer, the Executive Vice President and to other executive officers appointed by the Board.

The total remuneration paid to the Chief Executive Officer as per agreement is EUR 23,670 per month. The total remuneration includes the taxable value of the car benefit. The Chief Executive Officer has a notice period of six months. In addition, the CEO is entitled to a severance compensation corresponding to 18 months' pay if he is dismissed by the company.

The total remunerations paid to the Managing Directors of Finnvera's subsidiaries Veraventure Ltd and Finnish Export Credit Ltd are EUR 11,296 and EUR 10,130 per month, respectively.

The remunerations of the other members of the Management Group totalled EUR 101,906 per month. The supplementary pension contributions had an impact of EUR 102,696 on the company. The Chief Executive Officer's supplementary pension accounted for EUR 35,669 of this.

The Management Group members' salaries are based on total remuneration. This may include a car benefit, regarded as taxable income in full, as well as phone benefits.

The Board of Directors has approved the principles of the Management Group's performance bonus system and the targets set for the system in 2013. The performance bonus system adheres to the guidelines that the State owner has issued on the rewarding of the top management.

The performance bonus system comprehends the CEO and the members of the Management Group. The payment of bonuses and their amounts are at the full discretion of the Board of Directors, which decides on them after assessing the company's financial performance for the year.

A general requirement for the payment of a bonus is that the result of the financial period for the Group and parent company is profitable, with regard to the payment of performance bonuses. The maximum bonus corresponds to 10 per cent of the annual salary upon achieving the set target, and 20 per cent of the annual salary if the performance of the company and salary-earner has been exceptionally good.

The bonus is determined based on the four areas specified below as well as on personal performance:

- customers and stakeholders
- owner
- personnel
- financial performance.

The previous performance bonus system, which applied to all company personnel, was discontinued in 2009 by Board decision. Finnvera personnel are now covered by an incentive bonus system. The Management Group is not covered by the incentive bonus system.

On 14 March 2013, the Board of Directors decided to pay a bonus corresponding to one month's total remuneration to the Chief Executive Officer and the other members of the Management Group on the basis of the company's performance in 2012.

The company's group supplementary pension plan was changed to a defined contribution plan effective 1 January 2013. The CEO belongs to the defined contribution pension plan, whose retirement age is 63 years. Two members of the Management Group belong to the old, defined benefit pension plan, which offers eligibility for retirement at 60–61 years of age. Some other members of the Management Group belong to the defined contribution pension plan, under which they are eligible to retire upon reaching 61–63 years of age. The system was closed in 2009 and new members are no longer admitted.

Operating principles for internal control

Internal control is an integral part of the Finnvera Group's management. Its aim is to ensure the achievement of the organisation's objectives. The Boards of Directors and senior executives of Finnvera and its subsidiaries are responsible for arranging and organising internal control, which is implemented by the entire organisation. Each supervisor is responsible for the functioning of internal control for his or her own area of responsibility.

Internal control is a continuous process. The control system supports the implementation of the Group's strategy and assures management that the company's operations are efficient and profitable, that economic reporting is reliable, and that laws and other regulations pertaining to the operations are followed.

Finnvera's corporate culture, the ethical guidelines adopted by the Board of Directors, confidentiality regulations, the personnel's high professional standards and integrity, and the guidelines and practices agreed upon lay the foundation for the internal control environment throughout the whole Group. Operations are based on predetermined and planned processes and the associated approval procedures, tallies and other checks.

Daily operations are guided by a separate operating system, which includes the process descriptions and the guidelines supplementing them. The operating system complies with ISO 9001.

The operating system is implemented through three core processes – Clientele, Financing Services and Liability Management – and through processes supporting them, such as Personnel and skills and Systems development as well as subsidiary processes. Systems development includes, for instance, the following processes: Strategy planning and implementation, Financial control and oversight, Risk management, IT service processes and Internal control. Some examples of core process descriptions include the customer service process, the financial solution and risk assessment process and the process for handling credit losses. Finnvera's operations are carried out in accordance with the operating system, and the core and support processes have their designated

owners and owner teams, who are responsible for the development of the processes. Processes are assessed annually by means of both internal and external audits.

The operating system helps ensure the quality of Finnvera's services and the management of operating risks, while also providing a solid foundation for the realisation of development projects. The quality system has been under development throughout Finnvera's history. Finnvera plc and its subsidiaries, Veraventure Ltd and Finnish Export Credit Ltd, were awarded an ISO 9001 certificate again on 7 November 2013 (the original certificate was awarded on 7 December 2010). The quality certificate comprehends the companies' financing operations and all service points.

Risk management

Finnvera's Board of Directors confirms the principles of the Group's risk management, the strategy of risk-taking, the policies followed, the outlines of risk-taking, and the decision-making powers. The Risk Management Unit, which is independent of business operations, is responsible for risk management reporting and for maintaining the risk management system; it reports directly to the Chief Executive Officer. The principal components of risk management are the determination of strategies and policies, preparation of guidelines for operations, monitoring and controlling the risk position realised, and related reporting. These components are emphasised in different ways depending on the type of risk.

The goal of risk management is, for its own part, to ensure prerequisites for implementing the company's strategy. Finnvera's risks can be grouped as follows:

1. risks pertaining to credits, export credit guarantees and guarantees
2. operational risks
3. financing and market risks
4. other risks.

Operational risks pertaining to financial reporting are identified, assessed and controlled as part of operational

risk management. Utilisation of information technology and investing in the quality of operations play a central role in financial reporting systems.

The internal reporting system for risk management works at all levels of the Group. The parent company manages risks arisen in subsidiaries through ownership steering and by keeping all subsidiaries within the sphere of the risk management and internal auditing practised within the Group.

More about risk management:

- www.finnvera.fi/eng > Finnvera > Operations > Business risks
- www.finnvera.fi/eng > Annual Report > Financial Statements > Report of the Board of Directors

The State's responsibility for Finnvera's commitments

Finnvera's objective is to ensure that, in the long term, the expenses incurred in the company's operations can be covered by the income received from operations. If the government decides to support some of Finnvera's activities separately, the necessary appropriations are included in the State Budget. The State has made commitments to Finnvera concerning compensation for credit and guarantee losses.

The State's commitments enable Finnvera to take higher risks in domestic operations than those taken by commercial financial institutions. In addition, the Government is entitled to grant State guarantees as security for domestic and foreign loans taken by Finnvera.

The annual profits from domestic financing and export financing are transferred to two separate funds on Finnvera's balance sheet. Correspondingly, losses from domestic operations are covered by the fund for domestic financing, while losses from export credit guarantees and special guarantees are covered by the fund for export financing. There is no cross-subvention between the funds. At the end of the year, before appropriations, the assets of the funds totalled EUR 495 million. The State

Guarantee Fund and the State of Finland are responsible for Finnvera's losses only if the losses cannot be covered by assets in these two funds.

The State Guarantee Fund serves as a buffer between the State Budget and any losses that might arise from Finnvera's export credit and special guarantee activities. Defined in §4 of the Act on the State Guarantee Fund, these losses are ultimately the State's responsibility. The State Guarantee Fund's assets are also used to cover the liability arising from the guarantees and other commitments granted by the Finnish Guarantee Board – subsequently incorporated into Finnvera – and by its predecessors. Finnvera manages this 'old' liability for the State, and the State Guarantee Fund pays Finnvera a fee for its management. The 'old' liability totalled EUR 26 million at year's end.

A fund for venture capital investments is also included on Finnvera's balance sheet, under unrestricted equity. This fund is used for monitoring the assets allocated by the European Regional Development Fund (ERDF) for venture capital investments. In June 2011, the Ministry of Employment and the Economy granted Finnvera EUR 18 million for venture capital investments during the ERDF programme period 2007–2013. This sum has been entered into the above fund for venture capital investments.

Acquisition of funds

Finnvera's long-term acquisition of funds primarily takes place by issuing bonds and other debt instruments on capital markets.

Finnvera obtains long-term financing primarily by issuing bonds under the Euro Medium Term Note (EMTN) programme of EUR 3.0 billion guaranteed by the State of Finland. The loan programme received the highest possible credit rating from both Moody's and Standard & Poor's.

The State can give guarantees as security for the loans taken by Finnvera and for the associated interest rate and currency swaps. The Act on Finnvera sets a ceiling of EUR 5.0 billion for State guarantees. At the end of 2013, the guarantees given by the State totalled EUR 2.1 billion (1.6 billion).

Finnvera uses the funds acquired both for SME financing and for financing export credits. By means currency and interest rate swaps, Finnvera converts the funds acquired into euros or US dollars, depending on the final use of the funds. Finnvera trades in currency, interest and derivative products only for hedging purposes.

Supervisory operations

Finnvera's operating policies and guidelines ensure the management of all central operations.

The guidelines pertaining to financial administration are on the Intranet, available for everyone participating in financial reporting. The Finances and IT Unit is responsible for the processes and development of financial reporting. Process descriptions have been drawn up for the main financial processes. The persons taking part in the reporting process meet regularly and discuss reporting and the related activities. Named persons have been assigned responsibility for maintaining internal guidelines for financial reporting.

Detailed instructions have been compiled for activities associated with financial systems and financial reporting; these instructions set the standard for financial operations and financial reporting. The tallies and the internal controls and checks included in these activities are a central element of the range of functions ensuring the timeliness, correctness and reliability of monthly, quarterly and annual reporting.

Risk management is involved in the generation of principles for calculating capital adequacy and write-downs.

Communications and information

Finnvera's external financial information is based on a separate set of guidelines where the main principles are: essential information, correctly, promptly, simultaneously and available to all.

In accordance with the guidelines, the Chief Executive Officer is responsible for Finnvera's financial information. The Finances and IT Unit is responsible for the production of financial information. The Communications and Marketing Unit publishes the financial information.

Internal auditing

Internal auditing supports the company's management in the attainment of goals by consulting and evaluating the functioning of supervision and risk management systems and the functioning of management and administrative processes.

Internal auditing is a function independent of the business operations. It is organised in the Audit and Assessment Unit under the Chief Executive Officer. The Board of Directors approves the guidelines and annual plans for internal auditing. Internal auditing reports to the Chief Executive Officer and the Board of Directors. The Inspection Committee supervises the activities of internal auditing by going through the annual plans and reports. In its work, internal auditing complies with the professional standards.

External auditing

Finnvera has a minimum of one and a maximum of two auditors, depending on the decision made by the General Meeting of Shareholders. The auditors must be authorised public accountants or accounting firms.

In competitive bidding arranged in 2012, the Finnvera Group selected KPMG Oy Ab to serve as its auditor.

The auditor submits a report on auditing to the Inspection Committee every six months and to the Board of Directors once a year. In addition, the auditors' report is submitted to the Supervisory Board. For the company, the auditor draws up a separate summary of the audits conducted during the financial period.

The Financial Supervisory Authority monitors Finnvera's bond issues. In other respects, Finnvera's finances are supervised by the Auditing Unit of the Ministry of Employment and the Economy, applying the standards of the Financial Supervisory Authority.

Realisation of the industrial policy goals set by the Ministry of Employment and the Economy for Finnvera is monitored by the Ministry's Enterprise and Innovation Department, which receives reports from Finnvera twice a year.

The auditors' term ends at the next Annual General Meeting following their election. The auditor with the main responsibility is Juha-Pekka Mylén, Authorised Public Accountant. The fees paid by Finnvera Group to

the auditors in 2013 EUR 69,700. In addition, the auditing company was paid EUR 159,100 for advisory services during the year.