

Approved by the Representative Council on 23 Oct 2025.

Financial Policy Paper

Introduction: a responsible JYY 2

Financial responsibility 2

Social responsibility 2

Ecological responsibility: carbon neutrality and compensating for emissions 2

The acquisition of food 3

The finances of member operations 3

Membership fees 3

Corporate cooperation 3

Expenses..... 4

The reserve fund..... 4

The finances of Soihitu.....4

Properties and landholding 5

Real estate business and living..... 5

The investment fund 6

The compensation fund 6

Investing 6

The JYY consortium’s internal funding distribution model 6

The corporate governance of Semma 7

Measures and monitoring.....8

Approved by the Representative Council on 23 Oct 2025.

Introduction: a responsible JYY

This document is the highest outlining document for the Student Union's finances, business activities and corporate governance.

JYY's values include responsibility, and the values of the business entity Soihtu include sustainable development. These and the rest of JYY's values shall be considered in the accountability of JYY's activities as well as in the planning of its finances. JYY's values are defined in JYY's strategy and business entity Soihtu's values are defined in Soihtu's strategy. Soihtu's values have been derived from JYY's values.

The actions and acquisitions of JYY and the JYY consortium as a whole are based upon high ethical principles. These principles are economic, social, ecological and cultural sustainability.

The responsibility of accounting for sustainability requirements belongs with the authority that decides on actions and acquisitions.

Financial responsibility

JYY's finances must stand on a sustainable foundation now and in the future.

Potential financial risks shall be mapped out actively and they shall be prepared for well in advance. Recognised risks include, for example, potential and surprising changes in prices, shifts in housing demand and apartments becoming emphasised in specific areas.

JYY is to favour macroeconomically sustainable products and services. This means that in the acquiring of products and services, the factors known at the time of the purchase will not be the only ones being considered, but sustainability and expenses shall also be taken into account in the long term.

Social responsibility

Social responsibility shall be taken into account in all of JYY's activities, such as acquisitions, supply chains, construction and business collaborations done by JYY. This means taking into account the life cycles of services and products and the humane conditions of production.

Ecological responsibility: carbon neutrality and compensating for emissions

JYY must be accounting-based carbon neutral by the year of 2030. JYY's biodiversity footprint shall be monitored regularly, and it will be reduced according to said monitoring. Emissions from activities must reach the lowest level possible through reducing consumption and making low-emission choices. The carbon neutrality of activities shall be reached through compensating for all remaining emissions.

Approved by the Representative Council on 23 Oct 2025.

When compensating for JYY's emissions outwardly, the current guiding policies and recommendations in the industry shall be followed, and the actor that fulfils the industry's highest standards shall be used.

Forms of compensation shall be planned in collaboration with the University of Jyväskylä. Any chances for larger collaborations in the University and Student Union communities shall be monitored.

The acquisition of food

Internal and external events at JYY shall primarily serve climate-proof, plant-based and, if possible, domestically made food. Should fair trade or organic products be available, they shall be chosen. Special dietary requirements shall always be considered when serving food.

The finances of member operations

Membership fees

The Student Union has the right to decree a membership fee for its members (Universities Act 558/2009 § 46), which shall be used to locally fulfil the missions defined in the Universities Act, also known as JYY's member operations.

The membership fee shall not be raised without compelling reasons and an exceptional situation.

JYY's membership fee shall be lowered methodically and responsibly. At an intermediate time interval, the membership fee shall be reduced by lowering the leasing of the business premises at Ilokivi, which are paid off by the member operations, while taking the real estate company's financial situation into consideration. The membership fee shall be lowered in the long term as the funding from business activities increases. As a rule, the membership fee will not be lowered by cutting from the member operations.

Corporate cooperation

The primary goal of corporate cooperation is to support the finances of the member operations. Through this, JYY's membership services shall be developed, the organising of events shall be supported and JYY's recognisability in the industry shall be improved.

The goal is to conduct corporate cooperation that is methodical, long-lasting and creates value for both parties.

Before a collaborative contract is created, the practices and principles of the company shall be carefully evaluated based on what information is available. Collaborators shall be chosen responsibly while adhering to the values defined in JYY's strategy.

Approved by the Representative Council on 23 Oct 2025.

89 Collaborators will not influence JYY's decision making or JYY's goals.

90 When choosing collaborators, companies based in Central Finland will be favoured
91 primarily and other domestic companies will be favoured secondarily.

92 **Expenses**

93 JYY shall account for yearly inflation in its expenses and operate as a responsible
94 employer. Otherwise, JYY shall strive to keep its expenses at their previous level.

95 JYY's paid staff shall attend to its member operations. The staff shall be kept at a level
96 which corresponds to the workload and all changes to the staff shall be carried out
97 methodically. The number of staff members will not be reduced without very compelling
98 reasons.

99 **The reserve fund**

100 JYY is to prepare in advance for potential emergency situations which can extensively
101 destabilise the financial balance. These situations include, for example, the removal of
102 the automatic student union membership model, or the substantial and swift decline of
103 enrolments—for example because the university is moving one of its departments to
104 another university.

105 JYY shall accumulate a reserve fund to safeguard the capabilities of its member
106 operations in the case of an emergency. The goal is to amass 1.5 million euros into the
107 reserve fund.

108 The reserve fund shall not be used to cover any growth in expenses caused by inflation,
109 or to cover any decline in membership fee payments caused by the incremental
110 reduction of enrolments.

111 **The finances of Soihthu**

112 The primary purpose of JYY's business is to produce funding for its member operations
113 and services for its members. The business will fund its activities with its own internal
114 financing, and funds for membership fees shall not be utilised for this purpose.

115 Business is to be economically profitable in the long term based on business units and
116 their sectors so that the principle of responsible business can be fulfilled.

117 The funding received from JYY's business shall be raised in the long term. These additions
118 shall be carried out methodically.

Approved by the Representative Council on 23 Oct 2025.

119 **Properties and landholding**

120 Properties and landholding are to produce foreseeable and regular income for JYY's
121 member operations on an annual basis.

122 **Real estate business and living**

123 JYY will focus on providing residences in its real estate business but can rent out business
124 premises and other facilities to support its business endeavours.

125 JYY's housing supply consists of both ARA-funded residences and privately-financed
126 residences. In new construction, privately-financed objectives shall be emphasised to
127 diversify the funding base and to increase the funding received from Soihtu.

128 The number of residences shall be increased in moderation, and the housing supply will
129 be expanded into the vicinity of campus areas if possible.

130 Accessibility and retaining the cultural-historical significance of areas shall always be
131 considered in new constructions and renovations.

132 Renovations made on the business premises of JYY's subsidiary companies shall
133 primarily either be funded by said subsidiary internally or by Soihtu's investment fund.

134 Renovations on JYY's business premises are not grounds for raising the membership fee.

135 JYY shall strive to reduce the spending of electricity, water and energy to as low of a level
136 as possible. In these matters, solutions which are as cost-effective, sustainable and
137 practical as possible in the long term shall be favoured.

138 Construction shall be carried out under sustainable procedures. Buildings shall make use
139 of materials and colours which can endure wear and time, and the facilities will be
140 convertible for many purposes.

141 JYY shall take different housing needs into account, such as short-term housing
142 demands as well as the need exchange students and guests have for furnished
143 residences.

144 JYY shall encourage its tenants into a lifestyle that is communal and responsible
145 ecologically, socially and economically with the aid of service packages; this will be done,
146 for example, by offering an inclusive waste sorting system and by organising services
147 which meet the needs of members.

148 Rental spaces, such as Opinkivi's sauna and the Ilokivi Venue, shall take JYY's members
149 and the organisations working in JYY's sphere into consideration with discounts in their
150 pricing.

Approved by the Representative Council on 23 Oct 2025.

151 **The investment fund**

152 The investment fund shall be used for business acquisitions, such as funding new,
153 privately financed real estate projects.

154 **The compensation fund**

155 The compensation fund's reserves can be used for emission-reducing investments and
156 external compensation. The compensation fund can only finance external
157 compensations when the industry, its legislation and its standards are developed
158 enough for trustworthy and permanent compensations to be actualised.

159 **Investing**

160 The purpose of investing is to secure the market value of capital. The goal of JYY's
161 investing is to grow the market value of investment assets at a moderate pace. The
162 average annual target revenue in the long term is inflation + 1 – 5 % (= real revenue
163 target). The revenue of investment activities can deviate from the intended revenue in
164 the short term.

165 Accumulated funds shall be used on matters defined by portfolios in order to secure, for
166 example, the perpetuity of JYY's main operations in the context of its member operations
167 and Soihitu's business.

168 Investing is to be long-term and low-risk, and investments into different instruments and
169 investment targets shall be done with sufficient amounts of dispersion.

170 Investing is to map out risks which endanger the permanence of assets. The risk-return
171 ratio of investing is to be in balance.

172 Responsibility and transparency are to be considered alongside productivity, security
173 and safety when making investment decisions. Investments shall have an ESG score.

174 Investing shall be defined more closely in the investment plan approved by the Board.

175 **The JYY consortium's internal funding distribution model**

176 The distributable funds in the JYY consortium are generated from the profits of member
177 operations and the profits of Soihitu (other than ARA-activities). Profits from ARA-funded
178 objectives may only be used on ARA-objectives. The condition for fund investments is
179 positive profit for JYY. While evaluating the surplus, non-recurring items—such as the
180 valuations of the investments—have been removed from profits.

181 Soihitu's business endeavours are used to partially fund JYY's member operations by
182 logging the following items into the profits of the member operations:

Approved by the Representative Council on 23 Oct 2025.

- 183 • The returns from the ARA-objectives' own capital
- 184 • The rent of the Ilokivi Venue
- 185 • The property rent of the real estate company Jyväskylän ylioppilastalo [Jyväskylä
- 186 Student House]
- 187 • The interest on the consortium's internal loans
- 188 • Potential dividends from Soihtu services
- 189 • Potential dividends from associated companies

190 Soihtu's dividend is made up of the following:

- 191 • The northern property and the business premises of Kortepohja's Student Village
- 192 • The cost centre of Vehkakuja (JYY Residences)
- 193 • The commercial property on Gummeruksenkatu
- 194 • The Ilokivi Venue
- 195 • Opinkivi's sauna
- 196 • The cost centres of the offices at Vehkakuja
- 197 • The Soihtu Varainhankinta Ky's [Soihtu Fundraising Limited Partnership] revenue
- 198 recognition (The collectable property rent from Korttelikylä and the northern
- 199 property of Kortepohja, as well as the profit of Korttelikylä's housing company)

200 The profit generated by JYY's member operations is logged into the reserve fund.

201 Soihtu's profit is divided as follows:

- 202 • Reserve fund 30%
- 203 • Investment fund 30%
- 204 • Compensation fund 30%
- 205 • Free equities 10%

206 **The corporate governance of Semma**

207 JYY is an active and influential actor on Semma's Board. The Representative Council shall

208 receive reports of Semma's activities.

Approved by the Representative Council on 23 Oct 2025.

209 JYY demands Semma equality in food quality at different outlets, as well as food that is
210 high-quality, compliant with health guidelines, ecologically sustainable and affordable.
211 Semma shall consider the biodiversity footprint, the climate change and special dietary
212 requirements in its activities. JYY demands that Semma guide its customers towards
213 vegetarian choices by reducing the prices of vegetarian and vegan foods and demands
214 that it no longer serves beef. In addition, JYY demands that Semma guide its customers
215 towards vegetarian choices by removing food intake limitations for vegetarian food

216 Semma shall prepare a report on the carbon and biodiversity footprints caused by its
217 acquisitions at regular intervals to ensure that its activities can be observed in the long
218 term. JYY is to demand that Semma abides by its carbon neutrality goal and that both
219 footprints are reduced according to the reports.

220 JYY shall encourage Semma to expand into the areas outside of university campuses
221 that students frequent in Jyväskylä. JYY shall encourage Semma to establish, or to
222 change one of its existing campus-area restaurants into, a restaurant that only serves
223 vegetarian and vegan food.

224 **Measures and monitoring**

225 The occupancy rate of properties shall be monitored, and the aim will be to keep it high.

226 The cashflows and the profitability of activities shall be evaluated regularly. Entries in
227 funds and the development of surpluses shall be monitored.

228 Ecological and social responsibility shall be monitored by the measuring of the carbon
229 footprint and the biodiversity footprint.

230 The Board shall be kept informed with quarterly reports. The Representative Council shall
231 be primarily briefed in the context of financial statements.