



# JOHN NURMINEN FOUNDATION ANNUAL REPORT 2014 REPORT ON OPERATIONS



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# DID YOU KNOW THIS ABOUT US? THE FOUNDATION IN FIGURES

We safeguard the cultural traditions of Finnish seafaring and marine history, and work actively towards a cleaner Baltic Sea.

### THE FOUNDATION'S ROOTS ARE IN RAUMA:

**Johan Matinpoika**, a resident of the rural commune of Rauma, gave up agriculture and moved to a house called **Aaltola** which he had built in the city of Rauma. In connection with the move, Johan began using the name **Johan Nurminen**. In 1891, Johan Nurminen commissioned the construction of the schooner *Uljas*, and became a shipping entrepreneur.

### FROM JOHAN TO JOHN:

The master painter August Wigell was given the task of painting a new sign for the company. The master painted the sign without Johan Nurminen's name, and noticed only as he was finishing the work that he had made an error of 10 cm. The resourceful painter told Nurminen that he had seen a shorter version of Johan being used, i.e. the name **John**, which was in other respects too a more sophisticated name and more suitable for the city. Johan liked the name so much that he later had the name of his son, Johan, born in 1877, also changed to John.

The Foundation was established in 1992. We have seen 20 years of marine culture, and 10 years of projects protecting the Baltic Sea.

### KEY FIGURES OF THE FOUNDATION IN 2014

Balance sheet total €9,445,017 Own capital €9,182,454 Trading deficit from operations for the Marine Culture operational branch -€197,944. Clean Sea Fund capital €2,689,214 Clean Baltic Sea project expenses €1,029,981 Income from fundraising €1,000,709 7 permanent employees, 16 people in total employed by the Foundation during the year

### MARINE CULTURE

28 non-fiction books.

Three honorary mentions in the competition 'Most Beautiful Books of the Year'

Three nominations for Finlandia Literary Prize for Non-Fiction.

Over 1,000 maps and 60 models in the Foundation's collections.

Coming up in the autumn of 2015: the Foundation's most exhaustive publication, *Mapmakers' World*, with 300 images and 1,000 years of the history of the world map.

The oldest map in the collection dates from 1486, and the newest ones are from the 20th century.

The collection of marine paintings has 150 items, including, for example, 20 paintings by the German marine painter Adolf Bock.

INKERI NURMINEN

Five pounds' worth of cultural activism: one of the pearls of the Foundation's collection of marine antiquities is the original captain's saloon from s/s Inkeri Nurminen, which currently serves as a meeting room in Huolintatalo. Matti Nurminen purchased the saloon in 1953 with five pounds from a ship salvage yard.

### CLEAN BALTIC SEA PROJECTS

Initiated in 2004.

From 2004 to 2014, 17 projects predominantly at wastewater treatment plants; 14 projects completed.

Projects have achieved the reduction of over 2,000 tonnes of phosphorus in the annual phosphorus load of the Baltic Sea.

The Foundation's project in St. Petersburg resulted in a reduction of 1,000 tonnes of phosphorus in the annual phosphorus load of the Gulf of Finland.

The Foundation has participated in the two projects that have resulted in a 60% decrease in the annual load of phosphorus entering the Gulf of Finland.

Approximately €15 million was raised in 2004–2014.

Fundraising target for 2015 to 2025 is €20 million.

By April 2015, over 3,600 gleams had been donated for the *Horizon* work of art.

In 2009–2013, the Tanker Safety project created the ENSI service, which improves the safety of marine traffic.

The 'save a piece of' website has 15,025 pieces of the Baltic Sea, waiting to be saved. www.puhdasmeri.fi

### Powered by the sea

Foreword by the Secretary General

Dear reader, you are now holding the fifth Annual Report of the John Nurminen Foundation. This time, we will publish a report on operations for all of 2014, enhanced to include not only a description of the past, but also an up-to-date overview of the Foundation's current activities and targets. Again, we express our thanks for the printed version to our long-term partner Nordic Morning; the electronic version is available at the Foundation's renewed website at www.johnnurmisensaatio.fi.

My first – not to mention eventful and inspiring – year as the Foundation's secretary general is over, and spring is already well on its way as I write this. Being at the helm of this active and goal-oriented Foundation has been wonderful. Many plans have turned into actions, and we can see our long-term effort come to fruition. On the other hand, we have been able to take immediate control of situations we could not foresee last year. The Foundation's flexibility and agility are some of its greatest strengths. But here is also our challenge: how to allocate the resources of the Foundation smartly in ever-evolving situations?

One of the challenges we face is finding the balance between the purpose of the Foundation and the realities of the publishing world. The Foundation's publication and exhibition activities do not seek to generate profit, but to provide high-quality content that safeguards our marine cultural heritage for the public at large. The expenses of the Foundation's traditional publication activities, for example, have for many consecutive years been greater than the income from book sales. Even though our work is motivated by love of culture, we need to look for new sources of funding, outside of investment activities, which guarantee the long-term financing of our cultural operations. We also need funding for renewal: we want to distribute marine cultural content via new, modern methods and new channels.

As an example of this, we released a service called Kulttuuriretki Suomenlinna in the summer of 2014: the service brought the cultural attractions of Suomenlinna to mobile devices. We learned a lot through the pilot, and based on it we can develop the dissemination of electronic cultural heritage further, together with other stakeholders. In the beginning of 2015, the Foundation applied for outside funding for its cultural heritage project. At the moment of writing, I can confirm that funding has been secured. Our joint project with Finnish museums and content creators will therefore continue, backed by outside funding.

The highlights of our cultural activities in 2014 were three new books, the first of which, i.e. circumnavigator Eero Lehtinen's book *Pakko purjehtia* (the need to sail) was published in May. The book was warmly received by both friends of sailing and the general public. The book is the first memoir published by the Foundation. Encouraged by the feedback, we will continue to work together with Eero, and during this spring we will publish his work on the history and pioneers of Finnish sailing.

In late spring 2014, a joint exhibition organised by the Hamina Town Museum and the Foundation was opened. During Hamina Tattoo, the exhibition broke the museum's visitor record. In October, we participated in no less than three book fairs, in Turku, Frankfurt and in Helsinki. We used the opportunity to introduce two new books to our readers: Pohjolan Atlantis (Atlantis of the north) by Mikko Huhtamies, which tells of the utopias and innovations of the 18th century, and the essay collection Ranskan viimeisen kuninkaan retkikunta - La Recherche Lapissa (the expedition of the last king of France, La Recherche in Lapland), which takes a journey through the Nordic countries in the 19th century. In Frankfurt, we sought for ideas for the publication, coming up this September, of a major book on the cultural history of the world map. We made valuable contacts that will hopefully help us publish the book in as many languages as possible.

We have worked to promote new projects of the Clean Baltic Sea project portfolio. Planning the Archipelago Sea Local Fishing project began in 2014, and the project has already been launched, while a decision on the EU funding of the BEST project, which focuses on industrial and communal wastewaters, will be made this year. We have also moved forward with the NutriTrade project, which seeks to launch the world's first marine trade system in which stakeholders could participate and at the same time neutralise their own phosphorus footprint.

For fundraising, 2014 was an extremely challenging year. In the spring, we used competitive bidding to select an advertising agency that would create a concept for the purpose of attracting more private donors as supporters of the Foundation. Dvnamo&Son was selected, and the 'Save a piece of the Baltic Sea' concept, created by them, will be our campaign this year. Towards the end of 2014, we were delighted to announce a new main partner, as Supercell made a significant donation to the Clean Sea Fund.

I would like to thank the partners of the Foundation and the supporters of the Clean Baltic Sea projects for the many distinct ways you have shown your support to us this and the previous year. As an excellent example of partnership, we highlight in this Annual Report the invaluable help received from Capgemini. I would also like to express my warmest thanks to the Foundation's highly motivated team, whom I have during the past year learned to know and to appreciate.

Helsinki, April 2015 Annamari Arrakoski-Engardt Secretary General John Nurminen Foundation



# Switching to high gear in the protection of the Baltic Sea

Message from the Chairman of the Board



Tanker Safety project. Our sights are already set on the next ten years. We need to continue our concrete work to clean up wastewaters in the entire catchment area of the Baltic Sea, including the many populous cities of Poland. If we focus on the major sources of the load, we can improve the status of the sea efficiently and fast.

There is hope that the Baltic Sea will clear up. In the past few years, we have achieved a massive 60% reduction in the phosphorus discharges that cause eutrophication in the Gulf of Finland by improving the efficiency of phosphorus removal from the wastewaters of St. Petersburg, renewing the city's treatment plants and sewage systems, and by cutting the discharges from a Russian fertilizer factory into the River Luga. The results can already be seen in the status of the sea, particularly in eastern Gulf of Finland, which was record-breakingly clear last summer.

These encouraging results indicate that our protective measures have been efficient. Now we need to ensure the continuity of the work. In a challenging economic situation, it has however become apparent that the protection of the Baltic Sea is in danger of being overshadowed by other issues. We have already identified and prepared projects that, in line with our operating principles, would achieve measurable results cost-efficiently and relatively fast. To be able to implement these projects, we intend to double our income from fundraising so that in 2015-2025, we would raise €20 million.

In addition to our own projects, we actively monitor and support other initiatives that are important to the status of the Baltic Sea. In the agricultural sector, we have not so far been able to find measures that would lead to fast, large-scale cuts in discharges. This problem has been especially evident in the status of the Archipelago Sea, where the load is mostly generated by Finland's own agriculture. The Archipelago Sea was the embodiment of the dual nature of the situation during the heatwave of summer 2014: as we rejoiced over the crystal-clear waters of eastern Gulf of Finland, the Archipelago Sea was covered by a stinking porridge of blue-green algae.

In 2014, new hope began to emerge that the status of the badly eutrophicated Archipelago Sea could still be improved. After many years of experiments, experts from the University of Helsinki and the Finnish Environment Institute have verified that treating fields with gypsum can cut discharges from agriculture significantly, particularly in southern Finland. This measure could reduce the phosphorus load entering the Archipelago Sea by as much as 100 tonnes (30%) annually, and with very reasonable costs. For the Gulf of Finland, the reduction would be at least 50 tonnes. This is an encouraging promise: such a large cut would visibly reduce the volumes of blue-green algae blooms. By spreading gypsum on fields, Finland could achieve roughly half of the 330-tonne reduction target for phosphorus, set for Finland by HELCOM. This should be considered a major scoop for the Baltic Sea.

Next, we need a large-scale pilot project, where researchers and farmers would join forces to assess the details of the procedure. During the pilot we should also investigate how the procedure could be included in the environmental subsidies for agriculture. The political will is there, and the organisations of agricultural producers and ministers are aware of the importance of the issue. Finland could once again unite the forces of the public and the private sector, and make the Archipelago Sea as bright as the Gulf of Finland. This is why we at the Foundation use every available occasion to highlight the opportunity presented by the gypsum treatment of fields. Of course, the sustainability of the procedure still needs verification.

I would like to thank the Foundation's partners and supporters, both long-term and new, for the invaluable support you have given to us. I would also like to thank the Foundation's Secretary General and Board of Directors for the energetic approach with which you have developed the Foundation's operations. Together we can clean the Baltic Sea.

Helsinki, April 2015 Juha Nurminen Chairman of the Board John Nurminen Foundation

# Highlights of 2014



Kick-off of the Gulf of Finland 2014 theme year

completed.

At the Boat Show, visitors and groups of schoolchildren received information on marine culture and the protection of the Baltic Sea.

> The handover celebration of the model of steamer Marja-Liisa Nurminen, commissioned by Juha Nurminen, at the Rauma Maritime Museum.

> > A first for the Foundation's maritime publications: autobiography of first-time author Eero Lehtinen, Pakko purjehtia (the need to

The Foundation's representatives participated in the annual Clean Seawater event in Rauma.

At the launch of the Tanker Safety project, project participants received their due thanks.

> BEST project nominated one of the potential flagship projects of the EU Strategy for the Baltic Sea Region.

Hamina Tattoo joined the Gulf of

Finland 2014 theme year with a

Baltic Sea theme. At the town hall

square, the Foundation organised

a panel discussion on the topic of

featured Jukka Nurminen's

Baltic Sea.

underwater photography of the

the Baltic Sea, and the city museum

The exhibition Hamina on the world map - treasures of the John Nurminen Foundation and the Hamina City Museum (1 June 2014 to 12 January 2015) was opened to the public. The exhibition borrowed over 70 artefacts from the Foundation's collection of art. maps, and marine antiquities. Visitors could acquaint themselves with the Foundation's maps and atlases of the Nordic countries and the Gulf of Finland as well as paintings by Adolf Bock.



The Kulttuuriretko Suomenlinna pilot service was tested all through the summer.



The logos and visual outlook of the Foundation and its Clean Baltic Sea projects were renewed. The new website, www.johnnurmisensaatio.fi, was launched.

Finnpilot Pilotage hosted the Club Itämeri cruise to the Harmaja pilot and lighthouse island.

PRESTO project construction works completed in Belarus.

in the autumn of 2014.

Telegrammi

NutriTrade project nominated a potential flagship project of the EU Strategy for the Baltic Sea The Board of Directors approved Local Fishing in the Archipelago Sea as a new Clean Baltic Sea project target.

> Phosphorit fertilizer factory: last samples, work on the final report begun.

The Foundation's map collection was complemented in late 2014 with two sea atlases: Nils Strömcrona's atlas in Russian, depicting the Baltic Sea (1750), and Laurie & Whittle's *The Baltic Pilot* 

Marja Kurki scarves and ties available

Revamping the JNF Newsletter, the Foundation's news bulletin on operations and new books. The Telegram, which features the Foundation's new visual outlook, was published for the first time

Two new books:

Pohjolan Atlantis – Uskomattomia ideoita Itämerellä (Atlantis of the North – Unbelievable ideas on the Baltic Sea) by Mikko Huhtamies.

The expedition of the last king of France – La Recherche in Lapland was first introduced at the Turku book fair on 3 October 2014.

The Foundation participated in the Frankfurt book fair as part of Finland's shared department.

Helsinki Book Fair 23 to 26 October 2014.

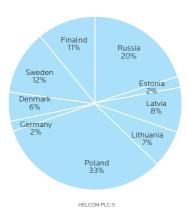


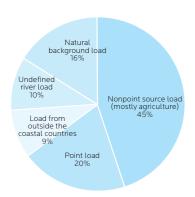
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### ANNUAL PHOSPHORUS LOAD OF THE BALTIC SEA BY COUNTRY AND BY SOURCE

The annual phosphorus load entering the Baltic Sea annually consists mostly of nonpoint source load (agriculture, dispersed residential areas) and communal and industrial wastewaters. The countries where the largest discharges originate are Poland and Russia, which also have the highest populations. Loads from Belarus and Ukraine, which are not included in the graphs, are included in the external loads of the coastal countries; this load enters the Baltic Sea essentially with river runoffs from Poland, Latvia and Lithuania. Natural background load is the nutrient load ending up in waterways without direct human involvement. Undefined river loads are phosphorus loads originating in Russia and Germany, but without an identified source.

Source: HELCOM PLC-5



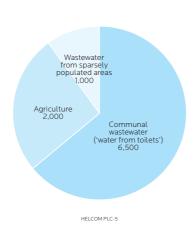


HELCOM PLC-5

### THE FASTEST WAY TO CUT THE PHOSPHORUS LOAD OF THE BALTIC SEA BY 2021: COMMUNAL WASTEWATERS

By far the greatest source of the nutrient load entering the Baltic Sea is nonpoint load from agriculture. According to the Baltic Marine Environment Protection Commission HELCOM, however, the sea can be helped fastest by concentrating on the remaining large sources of point load. This is particularly true for phosphorus, the key nutrient of blue-green algae and the most important nutrient causing eutrophication in the Baltic Sea. According to HELCOM, the annual phosphorus load entering the Baltic Sea needs to be cut by a further 9,500 tonnes in order for the Baltic Sea to reach a good status by the year 2021. According to estimates, as much as two thirds of this goal can be achieved by further improving phosphorus removal at the wastewater treatment plants of cities.

Source: HELCOM PLC-5

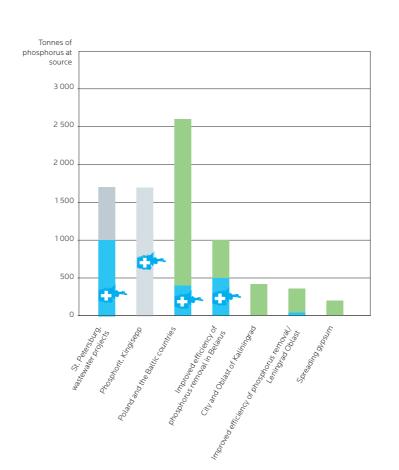


The annual phosphorus load (P) entering the Baltic Sea needs to be cut by a further 9,500 tonnes in order for the Baltic Sea to reach a good status by the year 2021.

# WHAT MORE CAN WE DO? PRIORITIES FOR STOPPING EUTROPHICATION IN THE COMING YEARS

In terms of the condition of the Baltic Sea, it is crucial that the wastewaters of all Polish cities, including cities that are small and mid-size, are treated in line with HELCOM recommendations i.e. with phosphorus levels of max 0.5 mg per wastewater litre leaving the treatment plant. This would lead to the astounding reduction of 2,500 tonnes of phosphorus in the annual load entering the Baltic Sea. The efficiency of phosphorus removal in Belarus, Kaliningrad, the Baltic countries and the Leningrad Oblast must also be improved.

Source: HELCOM, Finnish Environment Institute, John Nurminen Foundation



# New hope for the Archipelago Sea

After many years of experiments, experts from the University of Helsinki and the Finnish Environment Institute have verified that the new, revolutionary method of treating fields with gypsum can cut discharges from agriculture significantly, particularly in southern Finland. By spreading gypsum on fields, Finland could reach almost half of the phosphorus reduction target of 330 tonnes, set for Finland by the Baltic Marine Environment Protection Commission.

Potential

Completed

Completed Clean Baltic Sea projects



# Clean Baltic Sea Projects 2004–2014

The Foundation's project targets are selected on the basis of project feasibility, measurable environmental impact, and cost-efficiency. In 2004–2014, the Foundation has initiated almost 20 projects in Northwestern Russia, Poland, the Baltic countries, and Belarus. 14 of the projects have been completed, and three projects in Russia will be completed during 2015.

The Foundation is also one of the initiators of the Tanker Safety project, which aims at creating and deploying the ENSI service. In 2014, the further development and deployment of the service became the responsibility of the Finnish Transport Agency.

Target	Schedule	Environmental impact: reduction in annual phosphorus load	Funding
Wastewater treatment plant of St. Petersburg	2005–2011	1,000 (in the Foundation's project, total reduction in St. Petersburg 1,700)	Water utility, JNF, Ministry of the Environment
Gatchina wastewater treatment plant (ongoing)**	2009-2015	30	Water utility, JNF
Vyborg wastewater treatment plant (ongoing)**	2010-2015	20	Water utility, JNF
Udarnik poultry farm, Pobeda (ongoing)**	2011-2016	20	Udarnik, NIB, JNS
PURE project (6 cities and additional support from Foundation to Riga)	2010-2013	500 + Riga chemical container, JNF	EU, Ministry of the Environment, JNF
PRESTO project, Belarus (7 cities)	2011–2014	500	EU, Ministry of the Environment, JNF
YHTEENSÄ		2,070	
Partnerships*			
Czajka wastewater treatment plant, Warsaw	2008-2012	500	
Phosphorit fertilizer factory, Kingisepp	2012–2014	1,700	
Deducted tonnes have not been calculated into     Projects have been delayed for reasons that are			EU = EU Baltic Sea Region Programme JNF = John Nurminen Foundation NIB = Nordic Investment Bank
Tanker Safety project	2008-2014	ENSI service reduces the risk of oil accidents by 18–20%	Finnish Transport Agency, JNF









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On the way to the Tanker Safety workshop in May 2010. Left, Panu Rahikka, right, Ilkka Kankare.

# Gapgemini – Expertise in the service of the Baltic Sea and marine culture

It has also been wonderful to see how the cooperation model we have created with the Foundation works within our company.

Cooperation is not born in steering groups or the marketing and communications department; its real source is people. People who want to work for a cleaner Baltic Sea, preserve marine cultural history, and work for this goal selflessly, also in their free time. The role of the company is just to facilitate this cooperation, and no other effort has been needed."

Panu Rahikka, Capgemini The consultancy and technology company Capgemini has supported the operations of the John Nurminen Foundation through active pro bono work. So far, the scope of the cooperation has included the planning, facilitation and documentation of four significant planning workshops; drawing up the requirement specifications for two digital services; and, at various occasions, offering help with expert reports, service demos, or the renewal of the Foundation's customer register.

How did the close, fruitful and long-term cooperation between the John Nurminen Foundation and Cappemini begin?

### Panu Rahikka, Director, Application Management Services at Capgemini:

Our cooperation was based on my long-term customer relationship with Pekka Laaksonen, which went back years before he even started working for the Foundation. When Pekka called me and said he had gone on a sabbatical, donating a full year of his effort



Workshop of the Cultural Heritage project in Herrankukkaro, November 2014.

to the Baltic Sea, it was perfectly natural for us to just keep on working together. Pekka felt that Capgemini had knowhow which would help the Foundation in its efforts to improve the status of the Baltic Sea. I was on board immediately.

I could not offer significant financial support, but what I did have was the expertise of our organisation. Ilkka Kankare was the first of my colleagues whom I asked to join the effort, and he was immediately ready to roll up his sleeves. This earnest enthusiasm and willingness to work together for a cleaner Baltic Sea then took over, without exception, the dozens of consultants who have participated in the Foundation's projects in various roles during the years.

### Ilkka Kankare, Principal, Capgemini Consulting.:

I got very excited when Panu told me that the John Nurminen Foundation had tentatively asked about our willingness to support them. At the time, the Foundation's objective was to put together, launch and implement a project that would significantly reduce the risk of oil tanker accidents in the Baltic Sea. From the point of view of our team of consultants, it was great

to be able to support the Foundation in a project that was so uniquely significant. When I met the team from the Foundation for the first time, I was immediately convinced that this was a project we should go for, as the preconditions were so promising: with this project, we could achieve concrete results that would really make a difference. My first impressions turned out to be correct: the ENSI service, developed in the project, is active, in use, and still developed further. Since then, our cooperation has continued within other projects, such as, for example, the planning of the Loki project on digital cultural heritage.

For the Foundation, the cooperation has resulted in concrete tools and important events which have laid the grounds for, initiated and taken the projects forward in impressive sprints. What has the cooperation meant for Capgemini?

At no point have we been looking for direct financial benefit as a result of our cooperation with the Foundation; all other benefits created by the cooperation have, however, surpassed our expectations.

After the prestudy phase of the Tanker Safety project in the spring of 2009, the team had amassed a huge number of ideas for minimising the risk of tanker accidents, and identified a committed network of authorities, research institutions, and commercial and other third sector stakeholders. But which would be the idea that would fulfil the Foundation's strict project criteria and be the best choice for implementation by the Foundation? As I was thinking of this question, I remembered that Capgemini's ASE concept is the tool for exactly these kinds of situations, and would certainly help us solve this problem of plenty. My budget, however, was small, and we had not planned to purchase such a service. After mulling about the matter for some time, I goaded myself into calling Panu, with whom I had worked successfully many times in the past; I explained my problem and asked if it was possible for us to get an ASE workshop as a donation. I was happy to hear a positive answer, and this turned out to be the beginning of the long-term, dedicated, still continuing cooperation between the Foundation and Capgemini."

Pekka Laaksonen, John Nurminen Foundation

Within the scope of our cooperation, we have been able to provide our consultants with work opportunities that are significant, and at the same time a complex professional challenge. Content-wise, what we do for the Foundation is precisely what Cappemini does. We have been able to use our strengths and competences in the fields of, for example, digital transformation, the facilitation of decision-making, process development, user interface design, and the specification and implementation of information systems.

Our cooperation is made even more rewarding by the fact that work done by the Foundation has created concrete results, of which the ENSI system is perhaps so far the best example. From the business point of view, it has been of foremost importance that we have always been able to agree on the terms of our cooperation flexibly and jointly, allowing us to focus on the work without impact on our normal, day-to-day business operations.

The Foundation has been open in its communications about our cooperation, which, for its part, enhances a positive corporate image of Capgemini amongst our clientele. The best example of this was the unforgettable Clean Baltic Sea Concert at the Helsinki Music Centre in 2013, where Foundation representatives presented our cooperation to our invited guest customers at the event which also featured an extraordinary musical experience.

Cappemini's proprietary facilitation method has been used in various phases of the Tanker Safety project,

and also in the planning of the Loki project on digital cultural heritage. The method has been used to create a value network and first visions, and, most recently in the Loki project in November 2014, to create a cooperation plan for a shared digital service for stakeholders who safeguard our maritime cultural heritage. How does ASE method work in practice?

Capgemini's set of tools includes a very advanced facilitation method, the Accelerated Solutions Environment (ASE), which we use in our demanding customer projects. The method is especially valuable when solution development needs require expertise from various fields, or when we make decisions that involve several business units and organisations. As the operations of the John Nurminen Foundation are all about bringing stakeholders together, solving shared problems, and utilising powerful stakeholder networks, the ASE facilitation method has been an excellent approach.

What do you think have been the highlights of the cooperation?

#### Panu:

It's difficult to make the list short, as there has been so many memorable moments. The first workshop on Boistö island, the genuine enthusiasm and willingness all Cappemini consultants have had for working in the Foundation's projects. Those moments during other workshops when a very tired team realises they have





Ossi Westilä (Aboa Mare), Jorma Timonen (Finnish Transport Agency), Ilkka Kankare (Capgemini) and Atso Uusiaho (Arctia Icebreaking Oy) working on a team assignment. May 2010.

created something great together... All the interesting people I have had the pleasure of meeting at Foundation events, from the President of Finland and Admiral Kaskeala to all those top experts and specialists of their own fields who have brought their input to the Foundation's projects.

### Ilkka:

There are so many great, vivid memories. The first visit to Boistö island, when the Foundation's then secretary general Erik Båsk took us there on the ice, on a snowmobile, for a workshop planning session. The amazing comments we've heard at workshops from the top experts of different fields. The time when the Foundation's board of directors selected the strongest one out of the project ideas we had developed for tanker accident prevention, and the moment when the ENSI service was ready for piloting on Neste tankers. The selfless, committed, long-term work Juha Nurminen, Pekka Laaksonen and many others have done for the Baltic Sea.

What is your own Baltic Sea like? Why should it be protected?

#### Panu:

For me, the Baltic Sea is an important and inseparable part of my home town Helsinki. It is the view on the Airisto, seen from the summer cottage sauna in Hirvensalo in my youth, and the bay south of Korppoo that last summer was filled with bladderwrack and

clear water. The Baltic Sea is the only sea we Finns have. This is why we need to take care of it. I am proud of my own and my employer's contribution to the work that supports the Baltic Sea. I believe the Foundation's business-like operations, consisting of feasible projects with concrete results, are an excellent way to work for a cleaner Baltic Sea.

### lkka:

As a child, I used to wade in the Baltic Sea by the very same beaches in Espoo and Helsinki where my own children splash around today. Diving, water skiing, fishing. Skiing on the ice, taking trips to the magnificent islands close by, whether it's summer or winter. Enjoying the gorgeous sea views every day as I go to work. The Baltic Sea is vulnerable and marine traffic on the sea is extremely busy, which makes taking care of the sea so very important, but also very difficult. To be able to protect the Baltic Sea, we need the close cooperation of all countries by its shores as well as their commitment to shared protection measures. In such a demanding operational environment, the Foundation's long-term work has been invaluable, and I want to support it also in the future. I hope more and more of us will take the challenge and join the effort of protecting the sea, as there is still plenty to do.

# ANNUAL REPORT 2014 AS REQUIRED BY THE FOUNDATIONS ACT

# Organisation of the Foundation in 2014

Foundation's Board of Directors and advisory teams

In 2014, the John Nurminen Foundation's Board of Directors comprised eight members. Three new members were nominated at the Board's Annual Meeting on 10 February 2014. The new members are Eeva Ahdekivi, M.Sc. (Econ), Per-Edvin Persson, Professor, and Pertti Torstila, Secretary of State. Juhani Kaskeala, Admiral, Jouko Lönnqvist, Professor (Vice Chairman), Juha Nurminen, M.Sc. (Econ), (Chairman), Veli Sundbäck, Secretary of State and Hannu Syrjänen LL.M, M.Sc. (Econ) continue as members of the Board of Directors. Annamari Arrakoski-Engardt, a board member since 2012, was appointed Secretary General of the Foundation in January 2014, and left her position in the Board upon taking on her new responsibilities. The Board convened eight times in 2014.

In 2014, remuneration for the members of the Board consisted of a  $\[ \in \]$ 1,700 one-off fee, and meeting fees of  $\[ \in \]$ 400. All in all, board member fees amounted to  $\[ \in \]$ 22,100. Some Board Members did not accept fees for the work in the Board.

The Foundation's operations are supported by advisory teams consisting of stakeholder representatives and experts. Team members work on a pro bono basis, and do not receive any meeting fees. The Tanker Safety project steering group convened twice during the year under the leadership of Juhani Kaskeala. The steering group was discontinued in June, when the Finnish Transport Agency took over the further development of the ENSI service, created in the project.

The marine culture advisory team convened three times under the leadership of Annamari Arrakoski-Engardt, and the fundraising advisory team, consisting of the Foundation's board members, convened three times under the leadership of Hannu Syrjänen. The eutrophication project steering group, led by Veli Sundbäck convened once.

Foundation personnel

In 2014, the Foundation employed 16 people, of whom nine were fixed term, part time or trainees. At the end of the year, the Foundation employed seven permanent employees.

Annamari Arrakoski-Engardt, Secretary General (from 20 January 2014 onwards; up to this date Erik Båsk was the secretary general).

Tuula Putkinen, Communications Manager

Marine culture

Maria Grönroos, Publications and Collections

Anna Herlin, Culture Technology Project Manager (on maternity and parental leave from 1 February 2014 to 31 December 2014).

Anne Mäkijärvi, Marketing Manager (from 1 March 2014 onwards) Christian Palsamäki. trainee

Iiris Konttinen, university trainee (1 February 2014 to 30 April 2014)

Clean Baltic Sea Projects Maija Salmiovirta, Fundraising

Eutrophication projects

Marjukka Porvari, Director

Elena Kaskelainen, Project Manager

Viivi Moll, Project Manager (1 January to 31 October 2014)

Miina Mäki, Project Manager (1 June 2014 onwards, on leave of absence 1 January 2014 to 31 May 2014).

Martin Grotenfelt, Senior Advisor (pro bono, two days a week)

Tanker Safety project

Pekka Laaksonen, Director (until 30 June 2014)

Mikko Klang, Project Manager

Eeva Hirvonen, trainee (on-the-job trainee period from 7 April to 9 May 2014)

# Funding of the Foundation's operations and capital management in 2014

At the closing of the accounting period for 2014, the Foundation's balance sheet total was €9.445.017  $( \le 9.267.643 \text{ in } 2013 ).$ 

In the balance sheet, the value of the Foundation's collections was €666,457 in 2014 (€656,457 in 2013). Own capital was  $\[ \] 9,182,454 \ (\[ \] 8,995,167 \]$  in 2013).

The value of the Foundation's investments was €7,489,115 (€7,585,194 in 2013). The Foundation's invested wealth consists of shares in the Huolintatalo building in Länsi-Pasila, and of investment portfolios taken care of by portfolio managers; the second portfolio contains funds raised for the Clean Sea Fund.

In terms of investments, 2014 was a successful year in spite of the challenging economic climate. In 2014. profit from the Foundation's investment and financing operations was €334,437 (€465,833 in 2013). The unrealised gain of the investment portfolio amounted to approximately €659,976 (€478,771 on 31 December

The Foundation's investment portfoliowas managed in 2014 by Taaleritehdas. At the end of the year, the market value of the portfolio managed by Taaleritehdas was €4,749,940, with a yield of approximately 7% from the beginning of the year. Dividends from the beginning of the year amounted to €131,836. In line with the Foundation's investment strategy, the shares in the safely and securely managed portfolio are globally distributed. The range of asset allocations allows the portfolio manager to react to the markets so that the Foundation's capital is safely distributed in varying market situations, but still reaches the per annum target of a 5% vield.

The Foundation's Clean Baltic Sea projects are funded with donations. Donations are directed to the Clean Sea Fund. The Foundation's bylaws stipulate that any unused capital in the fund must be securely

invested in bonds, certificates of deposit, fixed-income funds and other profitable instruments with as low a risk as possible. Accordingly, some of the funds in the Clean Sea Fund have been invested in the low-risk FIM Yield Optimizer fixed-income fund. At the end of 2014, the balance of the Clean Sea Fund was €2.689.214. of which €1.468.000 of unused capital was in the Yield Optimizer fund.

The Foundation does not engage in active trading for short-term profit in the financial markets. This is why the change in the current value of investments has, in accordance with Chapter 5, Section 2 of the Accounting Act, been booked to the Current Value Fund, included in capital and reserves. This means that only realised investment profits and losses are included in the profit and loss statement. Unrealised change in value is presented in the Current Value Fund of the Balance Sheet. Assets recognised at current value include the Foundation's investments in funds and shares, with the exception of shares in real estate.

### Rental operations

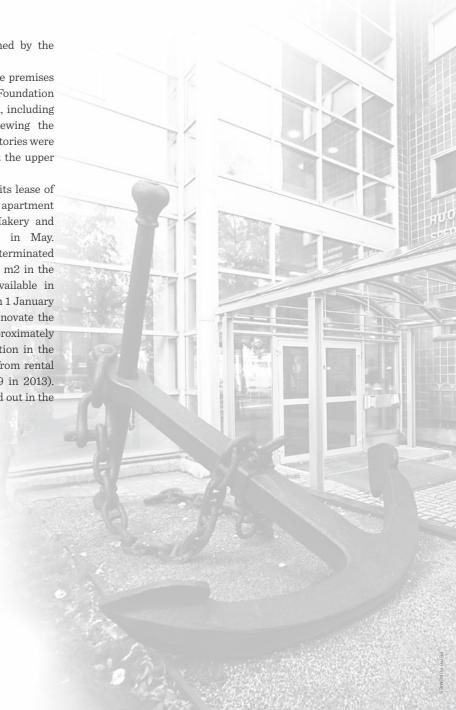
The John Nurminen Foundation owns approximately 12 per cent of the Huolintatalo building in Länsi-Pasila (approximately 892 m2). This location is also home to the Foundation's premises and collections. Facilities not used by the Foundation have been leased out.

JN Uljas, which manages the Huolintatalo building, has commissioned a market evaluation from Realia Management for the shares the Foundation owns in Kiinteistö Oy Pasilankatu 2. According to the estimate, the current value of the shares owned by the Foundation is approximately €960,000. Of the Foundation's twostory premises in Huolintatalo, the upper storey (120 m2) is owned by Juha Nurminen, and the premises

in the lower storey (135,5 m2) are owned by the Foundation.

In the spring and summer of 2014, the premises in the lower storey were renovated. The Foundation paid a total of €27,857 for the renovation, including furniture purchases. The costs of renewing the flooring of the stairs that connect the two stories were borne by Juha Nurminen, who leases out the upper

After Juha Nurminen Oy terminated its lease of the street-level, three-room Pasilankatu apartment (281 m2) in 2013, two new tenants, Makery and Pakkastutkimus (PTR) were acquired in May. Codemate, the Foundation's other tenant, terminated its lease in January. The premises of 123 m2 in the second floor of Huolintatalo became available in early May, but were leased again only from 1 January 2015 onwards. The Foundation had to renovate the kitchen of the leased premises with approximately €5,000. Because of the challenging situation in the rental market, the Foundation's income from rental operations in 2014 was €26,352 (€67,719 in 2013). All of the Foundation's premises are rented out in the beginning of the 2015 accounting period.



## Expenses of the Foundation in 2014

General expenses of the John Nurminen Foundation

The total general expenses of the Foundation amounted to €179,131 (€167,794 in 2013), which comprised personnel expenses of €82,825 (€85,254 in 2013), €5,024 depreciation (€779 in 2013), and other expenses of €94,832 (€84,197 in 2013). Other expenses include the fees of the Board of Directors, meeting expenses, financial administration and accounting (excluding the EU project audit of the Clean Baltic Sea projects), telecommunication costs, mailing, office and telephony costs, and the costs of marketing and communications (excluding the marketing and communications of the Clean Baltic Sea projects).

Financing and expenses of the Foundation's Maritime Culture branch of operations

The Maritime Culture operational branch is funded with income from exhibition ticket sales, publications, grants, donations, and profits from the Foundation's investment operations (including rental income).

The trading deficit of the Maritime Culture branch in 2014 was -€197,944 (-€85,337 in 2013).

Exhibition expenses for 2014 amounted to &90,647 (&43,051 in 2013). &75,133 of those expenses were allocated to the Loki culture technology project, which in the meeting of the Board of Directors of 25 August 2014 was granted an additional budget of &20,500 for the purpose of organising a workshop for the project's partners and applying for further funding in the autumn

Profits from the Foundation's publications totalled €178,952 in 2014 (€141,851 in 2013), while related expenses were €272,950 (€170,604 in 2013). The majority of the expenses comprised of book production and personnel costs. Book sales improved 27% on the previous year, mostly on the strength of the sales of

the Russian edition of Ultima Thule. Domestic sales at €125,155 in 2014 were slightly lower than in the previous year (€141,000 in 2013). With three new publications coming out in 2014, the expenses of publication activities were considerably higher than in the previous year. For their part, expenses related to the Russian edition of Ultima Thule increased the total expenses of publication activities, as did the exceptional one-off costs of the Foundation's participation in the Frankfurt Book Fair. The Foundation hired a parttime sales and marketing manager in 2014, focusing on, for example, managing the Foundation's book inventory, new book production, and digital content sales; in the first year, this added to the expenses of the branch. Booky.fi, the online book store launched in late September, also added to the expenses when compared to the previous year. However, compared to the old online store, this innovation led to a 55% increase in book sales via our own online store. PR activities of the book La Recherche, such as participating in the Turku International Book Fair for the first time, also contributed to the rise in expenses.

Profits related to collections amounted to €2,461 (€15,903 in 2013), and expenses to €15,760 (€29,436 in 2013).

Financing and expenses of the Clean Baltic Sea projects

The Clean Baltic Sea projects are funded with private donations and public funding. Donations are directed to the Clean Sea Fund, which is handled separately in the Foundation's accounts. This practice guarantees that donations are used exclusively by the Clean Baltic Sea projects

Income from fundraising was €1,000,709 in 2014 (€1,339,429 in 2013), of which donations from companies and private individuals accounted

for  $\leqslant 838,175$  ( $\leqslant 896,017$  in 2013). In spite of the challenging economic climate, corporate donations grew significantly. Compared to the previous year, the Foundation received less public funding in 2014 ( $\leqslant 155,540$  compared to  $\leqslant 443,412$  in 2013): this was due to the fact that the EU-funded PRESTO project was mostly active in 2013, and finalised in the autumn of 2014. When public funding is excluded, income from fundraising was at the same level as in previous years.

Sales profit from investments was €7,994 (no income in 2013). Change in the current value of Clean Sea Fund assets invested in the FIM Yield Optimizer fund was €51,650 in 2014 (€9,114 in 2013).

The project expenses of the Clean Baltic Sea projects were €1,029,981 in 2014 (€1,273,407 in 2013). The majority of the expenses consisted of personnel costs and consultancy services, with personnel expenses at €442,820 and consultancy fees at €76,328 (€506,879 and €211,747 in 2013). Due to delays in schedule that the Foundation could not influence, the significant investments at Vyborg and Gatchina water utilities, originally planned for 2013, were once again moved one year forward. Consequently, when viewed by sector, the eutrophication projects' share of expenses was only 39%, i.e. €405,496 (€522,024 in 2013). The expenses of the Tanker Safety project were €118,585 (€128,260 in 2013). General expenses accounted for 16%.

In early 2014, the Foundation began planning a new fundraising concept. The objective of the concept, aimed specifically at private donors, was to expand the funding base of the Clean Baltic Sea projects to private individuals, thus reducing the projects' dependency on corporate donations.

Operational risks and challenges

The John Nurminen Foundation is an operative foundation which strives to safeguard and keep our

marine cultural heritage alive through major cultural initiatives. The marine culture operational branch is financed with ticket sale income from exhibitions, profits from publications, grants, donations, and profits from the Foundation's foundation capital.

The goal of the Foundation's publication and exhibition activities is not to make profit, but to create high-quality content, aimed at the general public, that preserves our seafaring heritage. Implementing this goal, i.e. the purpose of the Foundation, is challenging in an operating environment where competition for people's leisure time is increasingly fierce due to digitalisation. Disruptions in the publication industry, brought about by globalisation and digitalisation, also challenge the Foundation, which needs to continuously adapt to the market and to investigate the opportunities created by the abovementioned factors. Museum and exhibition activities are also experiencing changes caused by digitalisation and made even more dramatic by cuts in public spending. At the same time, book sales in the US, for example, are now again on the rise after a decline of a few years, and in both the media and museum industries, there are signs of success for digital content; financial risks in this field, however, are still great, as people have already become used to free contents and services.

The expenses of the Foundation's traditional publication activities, for example, have for many years now exceeded book sales profits. To ensure the long-term financing of cultural activities, the Foundation's investment operations are expected to yield a steady per annum profit. The Foundation is also reaching out to new audiences, and intends to focus on new ways of distributing content. Financing the Foundation's operations in the long term depends on a good outcome of investment activities, which would allow the Foundation to restrain from using its capital in order to fund its basic operations.

The John Nurminen Foundation Clean Baltic Sea projects are funded with private donations and public funding. Fundraising is an extremely competitive area. Even though the Foundation's fundraising results for 2014 can be said to be highly satisfactory, particularly in the challenging economic climate and the intensely competed charity sector, the Foundation seeks to secure a sustainable funding base. Companies have cut their contributions to charities, which is why the Foundation's environmental operations can no longer rely on generous donations that span several years, as they could in the early years. This is why the Foundation began planning a long-term campaign, directed especially at private donors. By expanding its donor base, the Foundation seeks to react to the uncertainty of corporate donations.

The Foundation focuses on high-impact, measurable projects, and the goal-orientation and efficacy of its operations help the Foundation differentiate itself from other stakeholders. The Foundation's reputation and public image are excellent. Since financing is uncertain in the current environment, the Foundation will continue to focus its efforts on operations that are as efficient as possible, and reported transparently. The Foundation's operative character will be emphasised also in the future to help differentiate the Foundation from other foundations more active in communications or grant giving.

The greatest risks and challenges of the Foundation's Clean Baltic Sea projects are related to schedules. The projects in Vyborg and Gatchina in Russia, for example, have both experienced delays that are beyond the Foundation's control. Cooperation in Russia is also linked to the political situation prevalent in all of Europe at the moment, which generates uncertainty in the planning and implementation of the Foundation's future projects in Russia.

The Foundation's investments in chemical phosphorus removal require input also from the water utilities. The Foundation has finalised several projects, and it is important to guarantee that the water utilities are able to continue with chemical phosphorus removal without it becoming unbearably expensive after project closure. A sufficiently low price and adequate availability of the chemical must be guaranteed for the water utilities for them to be able to commit to long-term chemical phosphorus removal. In 2014, the Foundation launched a project for the creation of a mechanism that would secure both requirements.

The EU-funded BEST project (Better Efficiency for Sewage Treatment) focuses on improving the efficiency of wastewater treatment in Poland and the Baltic states, encouraging wastewater treatment plants to deploy improved phosphorus removal and, as a consequence, comply with HELCOM recommendations. The project's second goal is to advance the shared treatment of industrial and municipal wastewaters through the cooperation of industries, authorities and water utilities. The objective was to have also Russian and Belarusian utilities using project funding to invest in improved phosphorus removal, but the current political situation has resulted in delays in the preparation of the financing agreements between EU, Russia and Belarus. Consequently, the water utilities of Russia and Belarus cannot join the EU-funded BEST project as investing

There are excellent results from the Phosphorit fertilizer factory in Kingisepp. As the Foundation closes its cooperation with EuroChem, it is important to ensure that the factory will continue to be committed to the efficient treatment of the phosphorus discharges that enter the River Luga from areas near the factory.

## Communications and marketing communications of the Foundation

In 2014, the Foundation revamped its website. The pages for marine culture and Clean Baltic Sea projects, which had previously been separate, were now combined. The technical platforms of both sites, implemented in 2008 and in 2009-2010, had become obsolete. The new site supports the sales of books on marine culture as well as the fundraising goals of the Clean Baltic Sea projects, at the same time providing stakeholders with up-to-date and interesting information on the Foundation's operations and the status of the Baltic Sea. Another major goal of the renewal was to ensure effortless integration to the new online store and donation platform.

The renewal was implemented in two phases. Adage drew up plans for the site's concept and usability, and the resulting concept plans and narrowing down of technical platforms were part of the bidding documentation. The new, responsive website, optimised for various devices and mobile use, was implemented by MediaCabinet on the basis of a bidding competition. The site was launched in late September. All in all, the renewal cost approximately €60,000, and although the marine culture pages were also revamped, the expenses were booked to Clean Baltic Sea communications, where they had also been budgeted.

The logos and visual look of the Foundation and the Clean Baltic Sea projects were renewed in the autumn of 2014. This renewal was implemented by the advertising agency Dynamo & Son, who, in the spring of 2014, were also selected to create the fundraising campaign aimed at individual donors. The expenses of the new logo were also booked to the communications expenses of the Clean Baltic Sea projects. Because of these renewals, the 2014 expenses for Clean Baltic Sea project communications and environmental education were higher than in the previous year, totalling at €161,947 (€90,725 in 2013).

JNF Newsletter, the bulletin on the Foundation's operations, was modernised in the autumn of 2014 in line with survey results. The Telegram, which also showcases he Foundation's new visual outlook, was published for the first time in the autumn of 2014. Other key channels in stakeholder communications include the combined annual report and report on operations which came out in June, the Clean Baltic Sea project fund report, which comes out twice a year in electronic format, and the Clean Baltic Sea Newsletter, which comes out four times a year, also in electronic format.





New books were featured at the Foundation's stand at the Helsinki book show. Also on display were a model of a ship, maps, and other paraphernalia.

# Marine Culture in 2014

### Exhibitions

In 2014, the John Nurminen Foundation lent and exhibited its collections in two exhibitions and at two trade fairs.

70 items from the Foundation's collection of art, maps and antiquities were lent to the exhibition *Hamina on the world map – treasures of the John Nurminen Foundation and the Hamina Town Museum*, on display at the Hamina Town Museum from 1 June 2014 to 11 January 2015. The exhibition was organised in cooperation with Hamina Tattoo. The Foundation also lent a map to the Baroque exhibition of the Heinola City Museum, open from 18 May to 28 September 2014.

From 7 to 16 February 2014, the Foundation's stand at the Helsinki International Boat Show showcased the Clean Baltic Sea projects and activities related to marine culture. At the Helsinki Book Fair from 23 to 26 October 2014, the Foundation's stand featured items related to new publications.

### Culture technology project Loki

The Loki culture technology project, initiated in 2013, moved forward, and its pilot service *Kulttuuriretki Suomenlinna* (cultural tour Suomenlinna) was launched on 6 June 2014. The service was implemented as a

responsive web site (www.kulttuuriretki.fi), containing information on Suomenlinna and the cultural sites in its vicinity. The main marketing channels of the service were Facebook, Google, and on site in Suomenlinna. The pilot service featured local service providers. User experiences and feedback on the service were favourable, especially considering the small scale of the marketing effort involved. Preparations for the next phase of the Loki project began in the autumn. A project workshop was organised in Herrankukkaro, Rymättylä from 13 to 14 November 2014. Cap Gemini provided a prestudy for the workshop, workshop facilitation, and documentation all pro bono. Workshop participants included project partners Maritime Centre Vellamo, Forum Marinum, Rauma Maritime Museum, and representatives from the Finnish Museum Association. the National Board of Antiquities, and the Technology Centre of the University of Turku. The workshop created an evaluation of current projects, identified the strengths, weaknesses and key stakeholders of the cultural ecosystem, identified opportunities for cooperation in the ways digitalisation is utilised, and specified the goals for future work. In the autumn of 2014 the Foundation applied for funding for the further development of the project, and began the planning the user interface of the service.



The pilot service *Kulttuuriretki Suomenlinna* (cultural tour Suomenlinna) received favourable feedback from its users.

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On 12 March 2014, the Foundation donated a model of the steamer *Marja-Liisa Nurminen*, commissioned by Juha Nurminen, to the Rauma Maritime Museum.

#### **Publications**

Mid-May saw the publication of *Pakko purjehtia* (the need to sail), the memoir of sailor Eero Lehtinen. In late May, the book was also published as an e-book, sold via the Elisa Kirja service. The print run of the paper version was 2,590. In September, a Russian edition of *Ultima Thule* was published, with a print run of 1,300.

In early October, two books were published: *Pohjolan Atlantis – Uskomattomia ideoita Itämerellä* (the Northern Atlantis – incredible ideas on the Baltic Sea) by Mikko Huhtamies, Docent in Nordic history, and *Ranskan viimeisen kuninkaan retkikunta – La Recherche Lapiss*a (the expedition of the last king of France – La Recherche in Lapland) written by Jan Borm, Matti Klinge, Märtha Norrback, Osmo Pekonen and Juha Pentikäinen. The print run of both books was 2,000.

In addition to the new publications, the sales of book titles Kauhia Oolannin sota (the horrible war of Åland), Luotsisaaren tarina (the story of the pilot island), Seitsemän meren purjehtijat (The Circumnavigators), Kustaa III ja suuri merisota (Gustav III and the great sea war), Adolf Bock, Muskottisota (the nutmeg war), Valo merellä/Ljuset till havs (light on the sea), Kuninkaansaari (the king's island), Muodonmuutoksia (transformations), Yli maan äären (Magellan's fateful journey), Meritie (The History of Seafaring), The History of the Nordic Map, Marinkonstens mästare (the master of naval art), Ultima Thule and Mare Balticum continued.

### Collections

On 12 March 2014, a model of the steam ship *Marja-Liisa Nurminen*, commissioned by Juha Nurminen, was donated to the Rauma Maritime Museum. The ship was owned by John Nurminen from 1939 to 1949. That the model would be donated to the Rauma Maritime Museum was agreed on already in 2011. The model was built by Tarmo Kyntöaho. The Foundation and the Rauma Maritime Museum organised a joint handover ceremony, where, in addition to invited guests, Marja-Liisa Suopanki (née Nurminen), i.e. the ship's godmother was also present.

In 2014, the Foundation concluded a sale of marine art, atlases, models and marine antiquities. Mikael Schnitt (Hagelstam & Co) assessed the artefacts and works of art in question. In the trade, the Foundation sold separately catalogued ship portraits, marine antiquities and scale models that had originally belonged to the Nurminen shipping company, and in return purchased the *Strömcrona* and *Baltic Pilot* naval charts from Juha Nurminen's collection.

According to independent expert evaluation, the value of the abovementioned atlases, owned by Juha Nurminen, surpasses the value of the objects handed over by the Foundation, and the Foundation will pay out the difference in cash. The trade supports the implementation of the Foundation's purpose and the consolidation of collection integrity. Before the final trade agreement was concluded, the Foundation had

# jnsshop.fi

The productisation of the Foundation's map collection was kicked off in 2012, when the Foundation concluded a cooperation agreement with Vallila Interior. In 2014, the Foundation launched its cooperation with Marja Kurki, with the first map-themed scarves, ties and handkerchiefs arriving in shops in December of that year.

some of the most valuable paintings, models and marine antiquities evaluated by Tuija Peltomaa in order to ensure that the sets of artefacts had been assessed independently and at the correct value.

Maritime culture sales, marketing and communications

Books were sold via book stores, online stores and book sellers, as well as directly from the Foundation and in connection with various events. In September, when the Foundation's website was renewed, the Foundation's online store was transferred under the Booky.fi online book store, resulting in a 55% increase in the number of items sold online. Book sales were boosted during the year by focusing on new and old resellers, online sales and event sales. Books were sold through Kirjavälitys, book stores, websites and book resellers, and directly from the Foundation. In December, the Foundation organised a two-day stock sales event in Huolintatalo.

The Foundation organised lectures related to the Foundation's publications, and tailored marketing campaigns for sea-related associations and societies. During the year, the Foundation's Huolintatalo collections were presented to approximately 50 groups and hundreds of private individuals.

Four times a year, the Foundation publishes a newsletter with information on current activities and publications: this newsletter is also an important



channel for book sales. The visual outlook of the newsletter was renewed in the autumn of 2014, and the name was changed from JNS-Uutiset to the Telegram. The Telegram is delivered to the customers and partners in the Foundation's register, and its print run is 4,500. The print run of the newsletter grew last year as new target groups, societies, associations and private individuals were added.

On 3 October 2014 at the Turku Book Fair, the Foundation released the book La Recherche at an event where the authors joined a discussion hosted by Jussi Nuorteva. The Foundation participated in the Helsinki Book Fair from 23 October to 26 October 2014. At the Frankfurt Book Fair from 7 October to 12 October 2014, Finland was in the spotlight: the Foundation participated for the first time in this event, which is the world's most important book event, contributing to Finland's shared department.



The Foundation's map collection was complemented in late 2014 with two sea atlases: Nils Strömcrona's atlas in Russian, depicting the Baltic Sea (1750), and Laurie & Whittle's The Baltic Pilot (1809). Strömcrona originally published his atlas in 1739, and it was the second Swedish take on the area's marine cartography. The maps represented a more scientific and precise phase in the cartographic history of the Baltic Sea. Particularly after the foundation of St. Petersburg, the Baltic Sea began to draw the interest of the Russians, and prior to producing maps of their own, they had various atlases of the area translated into Russian. The Baltic Pilot was first published in 1725 by the Englishman Robert Sayer. Later, his countrymen Laurie & Whittle continued to develop the atlas. The atlas was very important to the British navy, and it increased the interest felt towards the Baltic Sea.

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At the Phosphorit fertilizer factory, January 2014.

# Clean Baltic Sea Projects

Wastewater treatment plants of Gatchina and Vyborg, Russia

Investment plans and investment contracts, concluded between the Foundation and the water utilities for the construction of phosphorus removal systems at the wastewater treatment plants of Gatchina and Vyborg in North-Western Russia have now been completed. Both projects have been officially registered by the Russian authorities, allowing equipment to be delivered free of customs and taxes.

The supplier of the first equipment delivery to Gatchina, consisting of equipment for chemical phosphorus removal, has been selected through a bidding contest. The delivery to Gatchina will be made in the spring of 2015. The Vyborg project has been delayed due to personnel and organisational changes at

the Vyborg water utility, and the breakdown of a sewage header pipe. In February 2014, a new header pipe was inaugurated in Vyborg, enabling the phosphorus removal project to move forward. The Foundation is responsible for equipment procurement in Vyborg and Gatchina, while the water utilities take care of installation and construction costs. With the implementation of these projects, the annual phosphorus load entering the Gulf of Finland from Gatchina is reduced by 30 tonnes, and that from Vyborg by 20 tonnes.

Udarnik poultry farm, Russia

The John Nurminen Foundation and the Udarnik poultry farm, situated approximately 50 km from Vyborg in the village of Pobeda, have joined forces to seek for alternatives that would minimise the risk of manure



The EU-funded PRESTO project in Belarus was completed.

The PRESTO project (Project on Reduction of Eutrophication of the Sea Today) invested in improving the efficiency of nutrient removal at the wastewater treatment plants of three Belarusian cities: Grodno, Vitebsk, and Molodechno. The Foundation was responsible for project investments and related technical plans required for improving the efficiency of nutrient removal. Construction and equipment installation commenced at the treatment plants in the autumn of 2013, and was completed in late August 2014. The investments of the PRESTO project will cut the phosphorus load that enters the waterways by several hundreds of tonnes annually.

leaks from the farm to the environment. The problem is created by the massive amounts of manure collected in the area during several decades: every year, approximately 10 to 20 tonnes of phosphorus is released from the stored manure to the nearby Gladyshevka River.

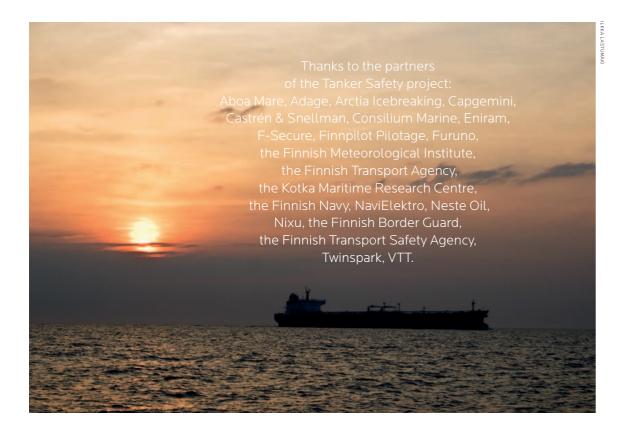
At its worst, the discharge can equal the annual phosphorus discharges of the Helsinki Viikinmäki treatment plant. According to estimates, roughly half of this will find its way through waterways to the Gulf of Finland. Research concluded by the Baltic Marine Environment Commission HELCOM has in fact identified the poultry farm as one of the animal farms causing the greatest environmental risks to the Baltic Sea region.

In 2012, the Foundation initiated a joint project with the Udarnik poultry farm, located close to Vyborg, in order to decrease the discharges ending up in the Baltic Sea from leaking manure pools. In May 2012, the Baltic Sea Action Plan Trust Fund, financed by the states of Sweden and Finland, granted partial funding for the project. The poultry farm has renovated its manure pools in 2012 and 2013. In 2014, project focus turned again to the treatment of runoff waters from the manure pools, and in August 2014, the Baltic Sea Action Plan Trust Fund granted additional funding for the project, allowing a runoff water filtering system to be delivered to the poultry farm. With the system, worth approximately €200,000, runoff waters from manure pools can be treated so that nutrient discharges to nearby waterways are decreased. Bioptech Ab from Sweden will plan the

project and provide the required technology. The new runoff water treatment system will be built in the poultry farm during 2015. The John Nurminen Foundation is in charge of project management, Bioptech Ab of technical planning and equipment deliveries, and the Udarnik poultry farm will be responsible for the construction of the filtering system.

Phosphorit fertilizer factory, Russia

The estimated annual phosphorus discharges of 1,700 tonnes from the Phosphorit fertilizer factory in Kingisepp by the River Luga to the Gulf of Finland were brought under control after the factory built a runoff water treatment system in the area in March 2012. In the summer of 2013, the international consultancy company Atkins was hired for the purpose of assessing the effectiveness of the treatment system and monitoring the trends in phosphorus discharges. The Foundation monitors the work of Atkins through participation in the practical effort involved and in the steering group to which Atkins reports its results. The samples taken by Atkins indicate that phosphorus levels of the River Luga have stayed at the same low levels that were reached when the water treatment system was commissioned. Monitoring and follow-up of the treatment system and the discharge levels continued until the autumn of 2014, and a report will be published in early 2015.



Eutrophication projects in Belarus

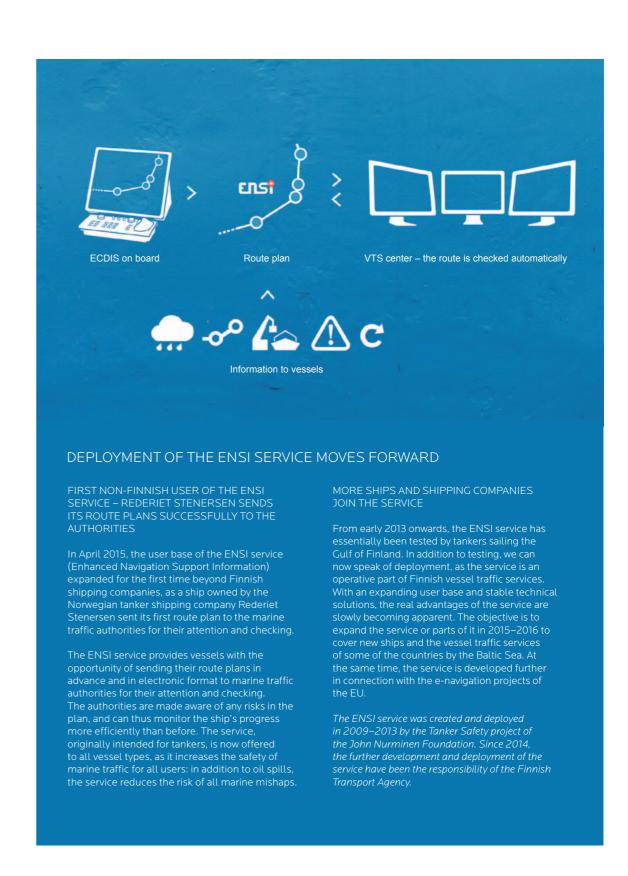
The two Clean Baltic Sea projects, PURE and PRESTO, through which the Foundation carries out investments that improve the efficiency of nutrient removal in Belarus, are partially financed by the EU's Baltic Sea Region Programme 2007–2013. The Foundation continues to cooperate with the Brest water utility in order to improve the management system of the phosphorus removal process.

The PRESTO project (Project on Reduction of Eutrophication of the Sea Today) invests in improving the efficiency of nutrient removal in the three Belarusian cities of Grodno, Vitebsk and Molodechno. The Foundation's project responsibilities included investments into improved nutrient removal and related technical planning. Construction and equipment installation commenced at the treatment plants in the autumn of 2013, and was completed in late August 2014. PRESTO project investments will reduce the phosphorus load entering the waterways by hundreds of tonnes annually.

Tanker Safety project

On 25 March 2014, Neste Oil hosted an event at the Kilpilahti refinery, celebrating the launch of the Tanker Safety project. Companies who had donated their effort to the preparation and implementation of the project as well as other key partners were invited to the event. The Tanker Safety project, which created the ENSI (Enhanced Navigation Support Information) service, now owned by the Finnish Transport Agency, was officially over from the Foundation's point of view in late June, when the last steering group meeting was held.

Significant events for the project in 2014 included various new vessels being recruited to the service, the release of an advanced version of the ENSI service, and visibility at the IALA (International Association of Marine Aids to Navigation and Lighthouse Authorities) conference. The Finnish Transport Agency made preparations for the ENSI service to be included in an EU-funded, Pan-European e-navigation project. The objective is to develop the ENSI service further, and to make it truly international as part of a larger set of services.





Project Manager Miina Mäki of the John Nurminen Foundation and researcher Emil Vahtera from the City of Helsinki environment centre presented the contents of the upcoming BEST project.

### New projects

In 2014, the Foundation put major effort into surveying and studying new types of projects. The Foundation made preparations for several projects that reduce the nutrient load of the Baltic Sea in Finland. Poland, the Baltic countries Bussia and Belarus

### The BEST project

Preparing for the EU-funded BEST (Better Efficiency for Sewage Treatment) project began in 2013, and in 2014, the EU Strategy for the Baltic Sea Region granted seed money for the preparations. The City of Helsinki Environment Centre is the project's main partner. Other main partners include the city of Warsaw and various water utilities and authorities in Poland. Belarus and the Baltic countries. In June 2014, the BEST project was nominated a potential flagship project of the EU Strategy for the Baltic Sea Region. This means that the project is perceived to be a key initiative in the implementation of the objectives of the EU Strategy for the Baltic Sea Region and in reducing the nutrient load of the Baltic Sea. Immediately when the new financing period begins in early 2015, financing for the BEST project will be applied from the EU Baltic Sea Region Programme.

### NutriTrade project

For some time now, nutrient trade has been considered to be a promising opportunity for reducing the nutrient load of the Baltic Sea cost-efficiently. The purpose of the NutriTrade project is to take the step from plans to action, and to initiate, for the first time, a voluntary nutrient trade system covering all of the Baltic Sea. Nutrient traders can be stakeholders who are ready to reduce nutrient discharges to the Baltic Sea through their own clearly verifiable and measurable actions they can be, for example, water utilities who are willing to improve wastewater treatment beyond the required minimum, or cities, municipalities, privately owned companies and citizens, who wish to improve the status of the Baltic Sea and neutralize their phosphorus footprint through concrete measures. In the autumn of 2014, the NutriTrade project was also nominated one of the potential flagship projects of the EU Strategy for the Baltic Sea Region.

Martin Grotenfelt began working for the Clean Baltic Sea projects in December 2013, and worked pro bono for two days a week in 2014 on the prestudies of new eutrophication projects: his contribution to the preparation of the NutriTrade project was immense.

### Archipelago Sea local fishing project

In 2014, the Foundation surveyed the possibility of launching a new project in the Archipelago Sea area: the project would utilise local fish resources so that nutrients could be removed from the Sea's ecosystem. Since last spring, the project has been under investigation as a joint effort of the leading research institutes and universities of Finland that are active in research areas related to the Baltic Sea and the fishing industry. Moreover, the project has been widely discussed with related stakeholders and interest groups.

# Supporters of the Clean Baltic Sea projects in 2014



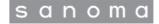






















GRETA MARIA LINDBLOMS STIFTELSE

















Aalto-yliopiston ylioppilaskunta, Affecto Oyi, Oy Aga Ab, Algol, AMT-veneet, Arkkitehtitoimisto Virkkunen & Co Oy, Balance Team Oy, Fact Law Group, FaunaPharma Oy, Fiskars Oyj, F-Secure Oyj, Furuno Finland, Golden Oriol Oy Ab, Gummerus kustannus Oy, Hamina Tattoo, Helsingin Juhlaviikot, Lease Plan Finland, LJR Accounting Oy Ab, LTQ Partners Oy, Merimieseläkekassa, MetroAuto Oy, Naakan koulu, Necorpoint, Nixu Oy, Nomart Oy, Nordic Venture Partners Limited, Nurminen Logistics, Orion Oyi, Pakkausalan Ympäristörekisteri PYR Oy, Rakennusteollisuus, RE Accenture Oy, Reilers Oy, Sail Tech Herrala Oy, Scandic Container, Servaali Oy, Solgar Nordic, Stena Recycling Oy, Suomen Messut, Suomen Palautuspakkaus Oy, Victor Ek Oy Ab, Wilhelmsen Ship Service Oy

# Clean Baltic Sea project communications and environmental education

The core of the Foundation's operations is in the concrete projects the Foundation implements throughout the catchment area of the Baltic Sea. Moreover, the Foundation aims at, for its part, increasing the awareness of the general public of the importance and urgency of the protection of the Baltic Sea. During the Gulf of Finland 2014 theme year, the Foundation was an active participant in the main events of the year, and also participated in the network of Baltic Sea communicators, coordinated by the Finnish Environment Institute. The theme year was kicked off in January at Helsinki City Hall, where the Foundation had also invited representatives from the Vyborg and Gatchina water utilities.

In early June, more than 1,000 participants gathered in Turku for the annual meeting of the EU Strategy for the Baltic Sea Region and the Baltic Development Forum summit. The meeting programme highlighted the practical implementation of the EU Strategy for the Baltic Sea Region. The John Nurminen Foundation, the Citywater project of the Helsinki Environment Centre, and the Baltic Sea Challenge, coordinated by the cities of Helsinki and Turku, were amongst the organisers of the 'Talk about water – how to save the sea' programme stream which, amongst other topics, dealt with nutrient removal.

In July 2014, the Foundation participated in the SuomiAreena panel discussion in Pori, and, as a partner invited by the city of Hamina, in the Hamina Tattoo event from 29 July to 2 August 2014. A discussion forum on the topic of the Baltic Sea was organised in the Hamina town hall square, where participants included the representatives of the Foundation, Felix Karmazinov, Director General of Vodokanal St. Petersburg, Seppo Knuuttila, Senior Research Scientist from the Finnish Environment Institute, and Heli Saavalainen, journalist from *Helsingin Sanomat*.

In addition to the Gulf of Finland 2014 events, the Foundation organised several events of its own at its

premises in Huolintatalo. Many groups and hundreds of individuals, including Sailing Ladies Finland, the Pohjola-Norden association, Helsingin ekonomit, the Finnish Environmental Journalists' Association, and Purjehtijoiden vaikuttajaryhmä visited the Foundation during the year, learning about its operations. In April, the Foundation organised a small-scale introductory tour for journalists, visiting the water utilities of three Belarusian cities and Warsaw. The participating journalists represented *Helsingin Sanomat, Suomen Kuvalehti*, and Yle.

Other events where the John Nurminen Foundation was a participant or an organiser, spreading information on the protection of the Baltic Sea, included the Helsinki International Boat Show 8 to 17 February 2014; the Meremme tähden (for the sake of our sea) event organised by the Raumanmeri Rotary Club on 12 March 2014; and Viaporin Tuoppi from 15 to 17 August 2014. At the Boat Show, the Foundation's stand featured activities for groups of schoolchildren as a part of the school tour organised by the fair, and also at Viaporin Tuoppi, the Foundation participated in a separate event aimed at schoolchildren.

Moreover, educational and communication materials were published to meet the needs of the general public as well as specific groups, such as stakeholders of the wastewater treatment industry. In January, the 6th grade of the Albert Edelfelt school in Porvoo visited the Foundation after winning the competition Intohimona Itämeri (passion for the Baltic Sea), organised by the Junior Chamber of Porvoo and Porvoon Energia. Marjukka Porvari from the Foundation joined the jury that judged the works of the schoolchildren. Foundation representatives also visited various schools, spreading the word on the importance of the protection of the Baltic Sea.

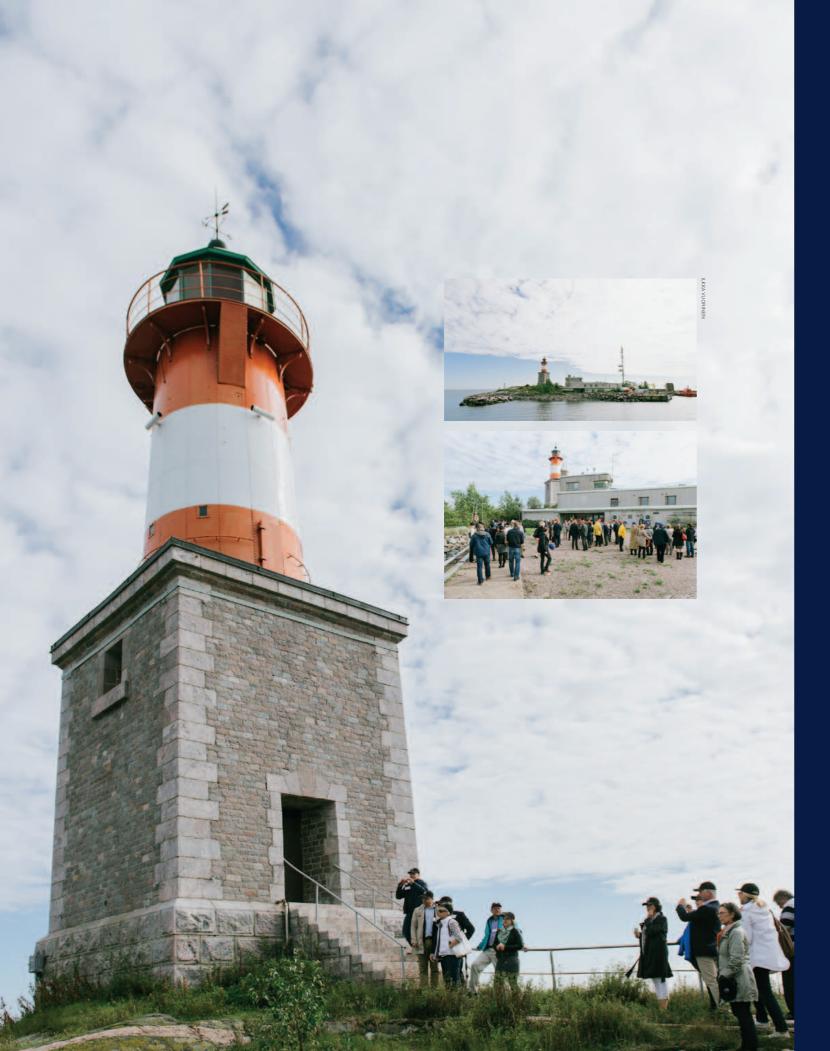
The Foundation disseminates information on current news and the status of the Baltic Sea via its



To the left, the host of the discussion on the Baltic Sea, Eeva Vilkkumaa, and panellists admiral Juhani Kaskeala, Heli Saavalainen, Seppo Knuuttila, Dmitri Troshenko (interpreter), Felix Karmazinov, and Juha Nurminen.

own communications channels, such as its website and Facebook. The Clean Baltic Sea newsletter was published four times in 2014. The newsletter is sent to stakeholders and to subscribers in the Foundation's register four times a year. A survey on the Clean Baltic Sea newsletter was conducted in the summer of 2014. Received feedback included many great suggestions for improvement, which the newsletter will strive to carry out in the future. In late 2014, the register had approximately 1,750 names (1,400 in 2014). Also in late 2014, the Foundation's Clean Baltic Sea Facebook pages had roughly 2,300 likes (1,700 in 2013).

Every year, the John Nurminen Foundation invites its corporate sponsors and other partners to the Clean Baltic Sea Club, where current topics on the Baltic Sea are discussed. The progress and financing status of the Clean Baltic Sea projects is also communicated at the event. The event was organised for the fifth time on 4th September, and hosted by Finnpilot Pilotage. Roughly 80 supporters and partners of the John Nurminen Foundation joined the event in Suomenlinna and the Harmaja lighthouse and pilot island.



# Finnpilot – Pilots save the Baltic Sea every day



Matti Pajula, CEO of Finnpilot, explained that the most important task of Finnpilot is to promote the security of seafaring and the marine environment, and to prevent accidents by helping vessels move safely on the fairways.

Every year, the John Nurminen Foundation invites its corporate sponsors and other partners to the Clean Baltic Sea Club, where current topics on the Baltic Sea are discussed. The progress and financing status of the Clean Baltic Sea projects is also communicated at the event. The event, hosted by Finnpilot Pilotage, was organised for the fifth time in early September this year.

In 2014, the renewed Clean Baltic Sea Club took place on a cruise in the waters of Helsinki. Finnpilot Pilotage, the host of the event, operates at the core of Baltic Sea protection, and provided guests with a thorough introduction to pilotage as well as the rare opportunity to get to know the unique Harmaja lighthouse. Matti Pajula, CEO, explained that the most important task of Finnpilot is to promote the security of seafaring and the marine environment, and to prevent accidents by assisting vessels as they move safely on the fairways.

Pajula said that the core task of a pilot has remained the same throughout centuries: just as their colleagues did hundreds of years ago, pilots today also climb to the bridge of a ship and help the vessel enter the harbour safely. In bygone times the captain of the ship would never hand the ship's steering over to the pilot; today, this happens more and more often. This is no wonder, as the Finnish coastline is one of the most difficult to navigate in the whole world. For most of the year it is also cold and dark, and the annual ice coverage in no way diminishes the challenge. Only a pilot with thorough knowledge of the local fairways can manage in these shallow and rocky waters.

Compared to many other marine routes of the world, Finnish pilots work in exceptionally demanding circumstances. Kari Kosonen, pilotage director, explained that only the most skilled individuals can become pilots. All Finnish pilots are experienced ship captains. Generally, a new pilot will have at least 10 years of experience as a ship officer under his/her belt.

Every euro invested in pilotage was returned threefold in 2013.

In 2013, Finnpilot piloted approximately 25,000 ships, which is an enormous figure. Of these, nearly a fifth had some kind of an occurrence, and there were almost 60 actually dangerous situations. Had the dangerous situations led to accidents, their cost would have been close to €100 million. On the other hand, pilotage fees amounted to roughly €35 million. We can calculate that for each euro invested into pilotage, society receives three euros' worth of marine traffic safety and ease. This is a good ratio for shipping companies and Finland in general. The benefits do not stop at business but extend also to the environment: often, the prevention of an accident equals the prevention of an oil spill.

www.finnpilot.fi

# Fundraising of the Clean Baltic Sea projects in 2014

Funds raised for the Foundation's Clean Baltic Sea projects amounted to a total of €1,000,709 (€1,339,429 in 2013), of which companies contributed €738,728 (€521,611 in 2013) and private individuals €106,441 (€347,407 in 2013), equalling €837,175 (€896,017 in 2013). Profit from investment after sales of FIM Yield Optimizer totalled at €7,994 (no sales in 2013). The volume of corporate donations grew significantly, as fundraising was strongly developed during the year. The Foundation's public funding of €155,540 in 2014 was less than in the previous year (€443,000 in 2013), as the EU-funded PRESTO project was most active in 2013, and finalised in 2014. Excluding public grants, funds raised equalled the level of previous years.

Fundraising expenses in 2014 were €177,624 (€352,634 in 2013). This was less than in the previous year, when the Foundation organised the Clean Baltic Sea Concert for the first time at the Helsinki Music Centre, and also, in cooperation with the City of Helsinki, launched the Horizon campaign, aimed at private donors.

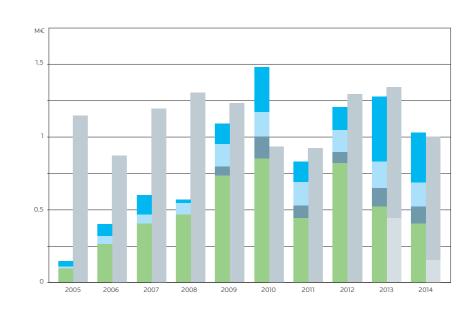
The Foundation aims to continue expanding its donor base to include more private donors, at the same time raising the general public's awareness of the Baltic Sea. In the beginning of the year the Foundation began planning a long-term fundraising concept, aimed at private donors in particular. During the spring, potential advertising and communications agencies were surveyed, meetings held, and three were chosen for an invitation only concept planning competition. Competition proposals were assessed by a jury composed of marketing experts from different fields. In June, Dynamo & Son were chosen as the agency who

will implement the fundraising concept. The concept will be launched in February 2015.

In 2014, the Foundation received a Sales Force customer register, including its deployment and related training, pro bono from Cappemini. The deployment of the customer register will take place in early 2015.

The Horizon campaign, which was launched in 2013 and aimed at private donors, raised €46,492 (€131,426 in 2013). The change was due inactive marketing, as the campaign did not receive any media space donations in 2014. The Horizon work of art, created in connection with the City of Helsinki Baltic Sea Challenge and designed by professor Hannu Kähkönen, is being built, piece by piece, in the Jätkäsaari pier in Helsinki, where it will remain as a permanent reminder of the importance of protecting the Baltic Sea. During the year, 1,182 gleams were installed to the artwork in three phases. All in all, the work can accommodate 4,225 gleams, and towards the end of the year, only 700 were still available. Net profits from the campaign will go to the John Nurminen Foundation's Clean Baltic Sea projects, which prevent eutrophication. Funds raised with the campaign have been used to acquire a chemical container, for example, making efficient phosphorus removal possible at the wastewater treatment plant of Gatchina. In August, the Foundation set up a performance by the work of art: the band Osteri played, and Foundation personnel told the story behind the piece to people passing by.

Many corporate donors continued to support the projects in 2014, and also new supporters joined the effort. The Christmas campaign was able to raise approximately €55,000 in corporate donations. August Ludvig Hartwalls Stiftelse, Fortum, Bergsrådinnan Clean Baltic Sea funds raised and expenses by operational branch 2005–2014



Sophie von Julins Stiftelse, Sanoma and Onninen continued to be the Foundation's main partners in 2014. As a departure from previous years, Sanoma did not donate media space in 2014 but continued to support the Clean Baltic Sea projects financially. SuperCell became a new main partner, making a significant donation to the Foundation at the end of the year. Greta Maria Lindblom Stiftelse, NCC and Nordic Morning, amongst others, continued as the Foundation's key supporters. Adage, Capgemini, Castrén & Snellman, Nordic Morning, Pro Sail Magazine and Thinkif all donated time and effort to the projects during the year. A three-year cooperation agreement was concluded with the Metropolia University of Applied Sciences.

# FUNDS RAISED Monetary donations (companies and private individuals) Public funding EXPENSES Fundraising, environmental education and communications General expenses Tanker Safety project Eutrophication projects

# 2014 FINANCIAL STATEMENT OF THE JOHN NURMINEN FOUNDATION

John Nurminen Foundation Business ID 0895353-5 Helsinki

The bylaws of the John Nurminen Foundation are available at the Foundation's website, www.johnnurmisensaatio.fi

### PROFIT AND LOSS STATEMENT

rdinary operations	2014	201
ARITIME HISTORY		
Exhibitions		
Expenses		
Personnel expenses	-30,483.95	-17,985.9
Other expenses	-60,162.85	-25,065.0
Expenses, total	-90,646.80	-43,051.0
Exhibitions, total	-90,646.80	-43,051.0
Publications		
Income		
Book sales	178,161.93	141,399.
Other	790.10	451.
Total income	178,952.03	141,850.8
Expenses		
Personnel expenses	-107,485.33	-48,308.
Other expenses	-214,828.70	-136,393.0
Change in stocks	49,364.05	14,098.
Expenses, total	-272,949.98	-170,603.
Publications, total	-93,997.95	-28,752.
Collections		
Income		
Income	2,461.12	15,903.0
Expenses		
Personnel expenses	-6,300.01	-24,094.2
Other expenses	-10,495.42	-5,342.2
Change in stocks	1,034.67	0.0
Expenses, total	-15,760.76	-29,436.3
Collections, total	-13,299.64	-13,533.2
aritime history, total	-197,944.39	-85,337.2

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	2014	2013
CLEAN SEA FUND		
Income		
Donations received	837,175.14	896,017.61
Grants received	155,539.83	443,412.01
Investments	7,993.97	0.00
Total income	1,000,708.94	1,339,429.62
Expenses		
Personnel expenses	-442,819.54	-506,878.81
Depreciation	-1,352.40	0.00
Other expenses	-585,808.60	-766,527.94
Expenses, total	-1,029,980.54	-1,273,406.75
Fund transfers	29,271.60	-66,022.87
Clean Sea fund, total	0.00	0.00
GENERAL EXPENSES		
Income		
Other income	3,550.97	2,435.00
Expenses		
Personnel expenses	-82,825.45	-85,253.98
Change in stocks	-5,023.76	-778.56
Other expenses	-94,832.42	-84,197.38
	-182,681.63	-170,229.92
General expenses, total	-179,130.66	-167,794.92
Trading deficit from ordinary operations	-377,075.05	-253,132.17
INVESTMENT AND FINANCING OPERATIONS		
Facility leasing		
Rental income	143,755.00	165,711.67
Service charges	-113,593.41	-97,023.19
Other income from facility leasing	-3,810.00	-969.04
	26,351.59	67,719.44
Facility leasing, total	26,351.59	67,719.44
Other investment and financing operations		
Income		
Interest income	1,402.82	2,389.97
Dividend income	131,835.66	89,803.47
Profit from sales	526,474.59	479,703.17
Other income from investment	21,137.35	42,697.28
Total income	680,850.42	614,593.89
Expenses		
Interest expenses	-84.65	0.00
Other expenses	-346,338.54	-148,760.08
Expenses, total	-346,423.19	-148,760.08
Depreciation and reversed depreciation	0.00	0.00
Investment and financing operations, total	334,427.23	465,833.81
Deficit (surplus) for the period	-16,296.23	280,421.08

### BALANCE SHEET

Assets	2014	2013
NON-CURRENT ASSETS		
Intangible assets		
Other long-term expenses	18,685.42	0.00
Tangible assets		
Machinery and equipment	5,114.61	2,335.64
Other tangible assets		
Works of art	192,043.91	205,274.03
Maps, books and items	474,412.69	451,182.57
Other tangible assets, total	666,456.60	656,456.60
Tangible assets, total	671,571.21	658,792.24
Investments	7,489,115.10	7,585,194.29
NON-CURRENT ASSETS, TOTAL	8,179,371.73	8,243,986.53
Stocks Unfinished books	71,070.26	29,586.58
Books	86,517.57 157,587.83	77,602.49 107,189.07
Debtors		
Short-term		
Trade debtors	19,079.69	79,479.63
Loan receivables	0.00	95,380.00
Other debtors	22,665.94	28,335.19
Prepayments and accrued income	248,416.57 290,162.20	386,161.77 589,356.59
	230,102.20	303,330.33
Cash in hand and at banks	817,895.67	327,110.91
CURRENT ASSETS, TOTAL	1,265,645.70	1,023,656.57
Assets, total		9,267,643.10

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### **BALANCE SHEET**

Liabilities	2014	2013
EQUITY / CAPITAL AND RESERVES		
Basic capital	142,168.69	142,168.69
Current Value Fund	659,975.80	478,770.74
Clean Sea Fund	2,689,213.85	2,666,835.12
	3,491,358.34	3,287,774.55
Retained earnings (loss)	5,707,392.28	5,426,971.20
Surplus (deficit) for the accounting period	-16,296.23	280,421.08
	5,691,096.05	5,707,392.28
CAPITAL AND RESERVES, TOTAL	9,182,454.39	8,995,166.83
CREDITORS		
Short-term		
Trade creditors	153,697.23	159,614.29
Other creditors	29,233.54	34,726.85
Accruals and deferred income	79,632.27	78,135.13
Short-term, total	262,563.04	272,476.27
CREDITORS, TOTAL	262,563.04	272,476.27
Liabilities, total	9,445,017.43	9,267,643.10

### NOTES TO ACCOUNTING PRINCIPLES

#### PRINCIPLES OF RECOGNITION AND MEASUREMENT

### Recognition of fixed assets

No depreciation was taken for the fixed assets of the Foundation's ordinary operations.

The fixed assets consist of works of art, maps, books and artefacts.

Office machines and equipment are shown in the balance sheet at cost less planned depreciation. The planned depreciation method was reducing balance depreciation at 25%.

Other long-term expenses are amortised on a straight-line basis over five years.

Purchases of assets with an economic lifetime of less than three years and minor purchases are posted in their entirety as expenses of the financial period.

### Recognition of investment

Investment has been recognised at current value in line with Section 5, Chapter 2a of the Accounting Act.

The Foundation does not engage in active trading for short-term profit in the financial markets.

This is why the change in current value has been booked to the Current Value Fund, included in capital and reserves.

Assets recognised at current value include the Foundation's investments in funds and shares, with the exception of housing company shares.

#### Recognition of current assets

Current assets are posted at purchase cost or a lower repurchase price, or at the expected sales price.

Books published by the Foundation are recognised at purchase cost or lower repurchase price, or at the expected sales price.

### Items in other currencies

Debts and receivables in other currencies have been converted to euro using the exchange rate valid on the date of the Financial Statement.

### Expense allocation principles

Function-specific expenses and a share of common expenses are allocated to functions.

When calculating a function's share of common expenses, the matching principle is adhered to as closely as possible.

### Recognition of pensions

Pension security for the Foundation's employees is handled by an external pension insurance company. Pension insurance payments and expenses during the financial period are based on actuarial calculations. Pension expenses are posted as expenses during the year of accrual.

### Donations and fundraising

Received donations, wills and raised funds are mainly recognised on accrual basis when their delivery is final from the perspective of the Foundation. Assets are recognised in adherence to the prudence principle.

NOTES TO THE INCOME STATEMENT		
Notes on personnel	2014	2013
Average number of personnel	13	13
Salaries	511,732.64	525,901.25
Fees	47,433.13	44,307.74
Pension expenses	93,978.30	95,502.34
Other personnel expenses	16,770.21	16,810.39
	669,914.28	682,521.72
Investment and financing operations	2014	2013
Income		
Interest income	1,402.82	2,389.97
Dividend income	131,835.66	89,803.47
Profit from sales	526,474.59	479,703.17
Other income T. J.	21,137.35	42,697.28
Total income	680,850.42	614,593.89
Expenses		
Transaction and management fees	-198,432.64	-24,397.70
Sales loss	-147,990.55	-124,362.38
Expenses, total	-346,423.19	-148,760.08
Investment and financing operations, total	334,427.23	465,833.81
Clean Baltic Sea Projects	2014	2013
Income		
Donations received	837,175.14	896,017.61
Grants received	155,539.83	443,412.01
Investments	7,993.97	0.00
Total income	1,000,708.94	1,339,429.62
Expenses		
Personnel expenses	-442,819.54	-506,878.81
Depreciation	-1,352.40	0.00
Equipment purchases	-97,200.00	-13,327.88
Consultancy fees	-76,327.81	-211,747.05
Marketing expenses	-87,075.85	-113,691.19
Travel and meeting expenses	-84,780.21	-111,238.87
Other expenses  Deferrals for projects that are not completed	-240,424.73 0.00	-306,023.82 -10,499.13
Expenses, total	-1,029,980.54	-1,273,406.75
Clean Baltic Sea, total	-29,271.60	66,022.87
Fund transfers	29,271.60	-66,022.87
Clean Baltic Sea, total	0.00	0.00

Clean Baltic Sea project expenses itemised by function	2014	2013
Eutrophication projects	-405,495.65	-522,024.39
Tanker Safety	-118,584.65	-128,260.28
General expenses	-166,329.26	-179,762.67
Communications and environmental education	-161,947.31	-90,725.10
Fundraising	-177,623.67	-352,634.31
Expenses, total	-1,029,980.54	-1,273,406.75

In 2013, the Foundation implemented two fundraising campaigns that represent a departure from traditional campaigns. Of the two campaigns, profit from the fundraising concert was fully realised in 2013, whereas the *Horizon* work of art will continue to generate profit for the Foundation also in coming years.

### NOTES TO THE BALANCE SHEET

Intangible assets	2014	2013
Other long-term expenses		
Apartment renovation expenses		
Purchase cost 1 January	0.00	0.00
Additions	23,356.78	0.00
Depreciation for the accounting period	-4,671.36	0.00
Book value 31 December	18,685.42	0.00
Tangible assets	2014	2013
Machinery and equipment		
Office machinery and equipment		
Purchase cost 1 January	2,335.64	3,114.20
Additions	4,483.77	0.00
Depreciation for the accounting period	-1,704.53	-778.56
Book value 31 December	5,114.88	2,335.64
Machinery and equipment, total	5,114.88	2,335.64
Other tangible assets	2014	2013
Works of art		
Purchase cost 1 January	205,274.03	204,674.03
Additions	-13,230.12	600.00
Book value 31 December	192,043.91	205,274.03
Maps		
Purchase cost 1 January	255,510.07	239,474.88
Additions	0.00	16,035.19
Book value 31 December	255,510.07	255,510.07
Books		
Purchase cost 1 January	22,768.34	22,768.34
Additions	30,000.00	0.00
Book value 31 December	52,768.34	22,768.34
Artefacts		
Purchase cost 1 January	172,904.16	171,904.16
Additions	-6,769.88	1,000.00
Book value 31 December	166,134.28	172,904.16
Other tangible assets, total	666,456.60	656,456.60
Tangible assets, total	671,571.48	658,792.24

Investments	2014	2013
Listed shares and other financing instruments	500000115	5075/2125
Purchase cost 31 December	5,896,661.45	5,875,431.35
Book value 31 December	6,556,637.25	6,623,785.28
Market value 31 December	6,556,637.25	6,623,785.28
Difference	659,975.80	748,353.93
Other share and similar violate of surremain		
Other shares and similar rights of ownership		
Kiinteistö Oy Pasilankatu 2, 11.67 per cent of shares	001 400 01	001 (00 01
Book value 1 January Reductions	961,409.01	961,409.01
Book value 31 December	-28,931.16	0.00
Book value 31 December	932,477.85	961,409.01
Equity/Capital and reserves	2014	2013
Basic capital	142,168.69	142,168.69
·		
Current Value Fund 1 January	478,770.74	256,221.39
Change in Current Value Fund	181,205.06	222,549.35
Current Value Fund 31 December	659,975.80	478,770.74
Other restricted reserves		
Clean Baltic Sea II Fund		
capital 1 January	2,666,835.12	2,591,698.70
donations received	837,175.14	896,017.61
grants received	155,539.83	443,412.01
Change in current value of investments	51,650.33	9,113.55
Realised profit from investment	7,993.97	0.00
used in line with bylaws to promote a clean sea	-1,029,980.54	-1,273,406.75
capital 31 December	2,689,213.85	2,666,835.12
Retained surplus (deficit) from previous financial periods		
Earnings from previous accounting periods 1 January	5,707,392.28	5,426,971.20
Earnings from previous accounting periods 31 December	5,707,392.28	5,426,971.20
Surplus (deficit) for the accounting period	-16,296.23	280,421.08
Surptus (dencit) for the accounting period	-10,230.23	200,421.00
Capital and reserves, total	9,182,454.39	8,995,166.83
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The Foundation has one fund, the Clean Sea Fund, that is restricted for a specific purpose. Monies in the fund are used according to fund rules.

The monies of the Clean Sea Fund have been invested in fixed-income funds.

### INSIDERS

The Foundation's insiders include Board members, their spouses and underage children, and stakeholder companies.

Insider transactions	2014	2013
Purchases		
Rents for facilities	27,472.72	26,208.44
Other	58,750.21	28,429.04
	86,222.93	54,637.48
Sales		
Rents for facilities	31,193.24	83,928.68
Other	25,751.96	37,978.14
	56,945.20	121,906.82
5	2014	2012
Contingent liabilities	2014	2013
Leasing and rental liabilities excluded from the balance sheet		
Payable in the next financial period	22,038.90	21,433.49
Payable later	34,676.60	52,909.56
Total	56,715.50	74,343.05

Helsinki, 23 February 2015

Juha Nurminen

Per-Edvin Persson

Hannu Svriänen

Pertti Torstila

Annamari Arrakoski-Engardt

Secretary General of the Foundation

Chairman of the Board of Directors

Signatures of the Annual Report and Financial Statements (Translation)

Financial Statement 61



#### Auditor's Report (Translation)

To the Board of Directors of John Nurminen Foundation

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of John Nurminen Foundation for the year 1.1. -31.12.2014. The financial statements comprise the balance sheet, the income statement and notes to the financial statements.

### Responsibility of the Board of Directors

 $The \ Board \ of \ Directors \ is \ responsible \ for \ the \ preparation \ of \ financial \ statements \ and \ report \ of \ the \ Board \ of \ Directors \ that$ give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the foundation's accounts and finances, and shall see to it that the accounts of the foundation are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements and on the report of the Board of Directors as well as on matters required by the Foundations Act based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors are guilty of an act or negligence which may result in liability in damages towards the foundation or have violated the Foundations Act or the rules of the foundation.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the foundation's preparation of financial statements and report of the Board of Directors that give a true and fair view 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 foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion on the Financial Statements and on the Report of the Board of Directors

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of the financial performance and financial position of the foundation in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statement

### Other Statements Based on Law

The assets of the foundation are appropriately invested and the compensation paid to the organs of the foundation is reasonable. The foundation's financial statements and report of the Board of Directors give a true and fair view of the operations of the foundation.

PricewaterhouseCoopers Oy Authorised Public Accountants

Jonna Wirtanen Authorised Public Accountant Samuli Perälä

Authorised Public Accountant

PricewaterhouseCoopers Oy, Authorised Public Accountants, P.O. Box 1015 (Itämerentori 2), FI-00101 HELSINKI Phone +358 20 787 7000, www.pwc.fi

Authorised Public Accountant Firm

Helsinki 2nd March 2015

PricewaterhouseCoopers Ov

A report of the audit has been submitted today.

Jonna Fabian

Authorised Public Accountant

Authorised Public Accountant

Jouko Lönnqvist

Juhani Kaskeala

Veli Sundbäck

Eeva Ahdekivi

# BOARD OF DIRECTORS Juha Nurminen, Chairman; Jouko Lönnqvist, Vice Chairman Eeva Ahdekivi, Juhani Kaskeala, Per-Edvin Persson, Veli Sundbäck, Hannu Syrjänen, Pertti Torstila

Annamari Arrakoski-Engardt, Secretary General Tuula Putkinen, Communications Manager Maija Salmiovirta, Fundraising

### MARINE CULTURE

EXHIBITIONS, PUBLICATIONS, COLLECTIONS Maria Grönroos, Publications and Collections Anne Mäkijärvi, Marketing Manager

CULTURAL HERITAGE PROJECT Anna Herlin, Project Manager

### CLEAN BALTIC SEA PROJECTS

Marjukka Porvari, Director Elena Kaskelainen, Project Manager Miina Mäki, Project Manager Mikko Klang, Project Manager

### STEERING GROUP, CULTURAL HERITAGE PROJECT

Annamari Arrakoski-Engardt, JNF, Chairman Juha Nurminen, JNF Markku Löytönen, University of Helsinki Vesa Hongisto, National Board of Antiquities Matti Jylhä, Futurice Kimmo Levä, Finnish Museums Association Antti Rantanen, Motley Agency Hanne Kettunen, Siili Solutions

### ADVISORY TEAM, CLEAN BALTIC SEA PROJECTS

Veli Sundbäck, JNF, Chairman
Jaakko Henttonen, EBRD
Lea Kauppi, Finnish Environment Institute
Pekka Kansanen, City of Helsinki
Juhani Lönnroth
Harro Pitkänen, NIB
Liisa Rohweder, WWF
Timo Tanninen, Ministry of the Environment
Erja Tikka, Ministry for Foreign Affairs

### **CONTACT INFORMATION**



From the left: Elena Kaskelainen, Maria Grönroos, Mikko Klang, Maija Salmiovirta, Anna Herlin, Tuula Putkinen, Marjukka Porvari, Annamari Arrakoski-Engardt, Anne Mäkijärvi and Miina Mäki.

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### ECOLOGICAL FOOTPRINT OF THE JOHN NURMINEN FOUNDATION ANNUAL REPORT

IN THE CREATION of the John Nurminen Foundation Annual Report, environmental issues have been considered as extensively as possible. During different work phases, the selection of materials and production methods was done based on suitability and environmental impact. Nevertheless, the publication has left its mark on the environment: energy and raw materials have been consumed, and waste and emissions have been created.

PURPOSE: Annual Report intended for long-term storage

SCOPE: 64 pages plus cover

SIZE: 210 x 278 mm

PRINT RUN: 1,500 copies in Finnish + 500 copies in English

PAPERS: PEFC-certified Maxi Silk 150 g/m² (pages) and 300 g/m² (cover), carrying the swan label, was selected as the papers used in the Annual Report. The wood fibre comes from responsibly managed forests. No chlorine gas was used in bleaching the pulp. The paper mill is ISO14001- and PEFC-certified. A verified environmental impact certificate and a carbon footprint calculation are available for the paper.

CHEMICALS: Only swan-labelled chemicals have been used in paper manufacture, preparation of the print surface, printing, and binding. The Annual Report is printed using digital printing technology. Print chemicals used in digital printing do not contain solvents.

PRINTING COMPANY: The Annual Report is printed by Edita Prima Oy in Helsinki. The company uses green electricity, and has been awarded the ISO 14001 certificate. Moreover, the company has the right to use the Nordic Ecolabel and paper origin certification (including PEFC). The printing company compensates for the carbon dioxide emissions created by financing projects, monitored by the UN, that develop renewable energy sources in developing countries.

USE OF THE ANNUAL REPORT is easy and does not generate a significant load to the environment. No additional equipment or energy is required by reading. You can browse through the Annual Report several times, and taking it from one place to another is simple.

FOR EACH COPY OF THE ANNUAL REPORT. WE USED:

WOOD: 0.7 dm<sup>3</sup> WATER: 2.4 litres ENERGY: 1.3 kWh

PRODUCING A COPY OF THE ANNUAL REPORT GENERATED:

WASTE: 175 g, of which 155 g is recyclable waste (150 g paper, 5 g cardboard), 12 g is burnable waste, 3 g is hazardous waste, and 5 g is landfill waste (from paper manufacturing). DISCHARGES TO WATER: 3 g (from paper manufacturing)

### CARBON FOOTPRINT OF THE ANNUAL REPORT

860 g of carbon dioxide emitted to the air, of which printing accounts for approximately 180 g, and paper manufacture, including transport, for approximately 680 g. The remainder of the emission is generated from transportation to customers. Emission amounts are estimates. The carbon footprint of the Annual Report corresponds to driving a car for approximately 5 km.

The ecological footprint of this Annual Report is greatly impacted by what happens to it after reading, as is the case with all publications. Dear reader – when you no longer need this publication, please recycle it. Wood fibres can be recycled approximately six times.

This ecological footprint analysis was created by Mika Ruuskanen, who heads the Nordic Morning environmental programme.

MORE INFORMATION:

mika.ruuskanen@nordicmorgning.com





Resident of the Baltic Sea. Paula Ahola. Entry to the photography competition 'a young perspective on the Baltic Sea', organised in association with the Tall Ships Races Helsinki 2013.



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We safeguard and cherish the cultural heritage of Finnish seafaring and maritime history, and work actively for a cleaner Baltic Sea.

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