Finland - Sustainability and Innovation

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inland’s unique growth story
stands out in Europe. The country
is powering through a pandemic
that brought global growth to a standst
supported by its world-leading tech sector
and innovative industries. The Finnish econ
will have one of the mildest
recessions in the eurozone this year, while
millions of government investment has been
emarked for recovery spending.

Sanna Marin, the
youngest premier in the world, explained
that innovative thinking has been the cornerstone
of Finland’s economic success. A key
 goal is to become a socially, economically,
and environmentally sustainable society by
2030. The country aims to be climate neutral
by 2050, and to support development of a circular
economy. Its pandemic recovery plans will hinge on innovation and sustainability,
according to Prime Minister Sanna Marin,
creating new opportunities for foreign
investment.

“Work on our national recovery plan has
begun, and it is important that we
first identify our key sectors
that will benefit from our sustainable
principles – developing safe & sustainable
mining and tunnel construction processes,
helping our customers increase
productivity and profitability.

The process started with targeted
workshops run by the companies,
explosives charging, underground logistics,
scaling and ground support. Focusing on three
core principles – developing safe & sustainable
methods, innovating for maximum performance and
partnering in lifetime support, the company
aims to deliver the highest value possible to
each customer. Normet’s extensive portfolio
of products covers equipment, services, rock
reinforcement and construction chemicals.
Normet operates globally with over 50 offices
in 28 countries. This breadth allows for a rapid
response to local commitment to all customers
whenever and wherever in the world they may
be.

Normet Chairman Aaro Cantell acquired the
company in 2005. Cantell’s company has
withstood financial crises and
is powering through a pandemic
over, with Normet business rising from £25
million in 2004, to £340 million last year.
“Economic recovery will grow with continued
growth. If you actively look for new
opportunities, a pipeline of possible growth
projects will begin to
emerge; competitiveness, Finland is
to fast becoming the best place in Europe
to do business – particularly for high-
tech companies like 3stepIT, a computer
leasing and lifecycle services company that
enables businesses to avoid long
contractual commitment; economic
impact; import substitution; industry
competitiveness and resilience in the
 midst of this crisis,” she told Parliament in
2005. Cantell’s company has
already supplied customers in 1997 on
what then was a completely unknown
concept: the circular economy. Its
business model was premised on the notion that instead of investing hundreds
of thousands on desktops, laptops and
smartphones, which would eventually be
collected at end-of-life and be thrown
away, companies could lease their
devices. This would support a timely
recovery of equipment, reduce consumer
dependence on scarce raw materials such as
rock reinforcement or underground logistics.
Cantell has targeted reaching £500 million
in turnover in the next few years, and in
the longer term at least doubling the size. This
means that the CEO Dr Eva Santamaria and her
team are actively looking into new ways
of expanding the business.

“Our company has a very proud history
and legacy, and a very strong reputation in the industry. Investing in a business model
directly connected to our end customers
was a major turning point for Normet. Our
close relationship with customers and a deep
understanding of their processes is a unique
advantage we have, and our geographic
reach is unparalleled, we will continue to invest
in our present principle of helping others
in bringing exciting innovations to the industry,”
said Santamaria.

3stepIT - Leading the Way in Sustainable IT

Finland’s economy is beginning to stabilize following the
first wave of the coronavirus pandemic, and the
country’s vibrant tech sector is set to play a leading role
in supporting growth. Within a thriving ecosystem of
disruptive start-ups, technology accounts for more than
50% of the Finnish exports, and more than 700,000
people, or nearly 30% of the workforce are directly
or indirectly employed by the tech sector.

This means the country’s future
stands on the shoulders of private
sector innovators like 3stepIT, a
fast-growing company offering computer
leasing and lifecycle management services that have already
made a profound impact on the
operations across Europe.

3stepIT was founded in
1997 on what then was a completely unknown
circular economy concept. Its
business model was premised on the notion that instead of investing hundreds
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JARKKO VEIJALAINEN
Chairman of the board – 3stepIT

We have a solid judicial system. The
government is
approachable, accessible, and
environmentally friendly. Our customers can trust
that we’ll have the best technology
in the beginning, and that there will
be someone to help them at the end of the
process. ‘3stepIT has a growing customer concern. This
is partly due to significant data security risks which
were a starting point. But in practice we
have been able to develop
process knowledge of Normet’s acquisition.
experts can reduce between 30% - 70% of waste and
skills.

Leading the Transformation to Sustainable Underground Mining and Tunnel Design & Construction

Sanna Marin, Prime Minister of Finland developed. And you need to have the

competitiveness and resilience in the

The ambition now is to become a €2
billion business over the next five years
and expansion across the Atlantic
beacon. “Our next goal is to win our
global footprint by expanding into America; our
sustainable IT consumption model
unrivalled, to support development of next
generation of IT.

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Elisa - Transforming Factories

The world’s transition to a digital economy is accelerating in the wake of the Covid-19 pandemic, leaving Finland well-positioned to steer the course of future global development. Finland’s economy is one of the most digitized on earth, and the country took top spot on the European Union’s 2019 Digital Economy and Society Index, with 76% of the population having at least basic digital skills - well above the EU average of 57%.

Companies like Elisa Corporation, a leading digital services provider, will keep the country in first place.

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an important pillar of the Finnish economy, and an increasingly prominent international player, Elisa has been quick to embrace new technologies. CEO Veli-Matti Mattila said his company has remained at the forefront of new technology because its long-term strategy and a strong focus on its core mission; a sustainable future through digitalization. Offering end-to-end solutions, Elisa has made an international breakthrough in Industrial Software. Business that the company developed itself, and that now serves major multinational clients.

“Many ask us why a telco is doing this and the answer is simple: we have over 10 years of proven track record in automating our own network management, including data and utilizing machine learning. Other industries asked us how we did it, and we accepted the challenge, creating a technology known as ElisaSmartFactory, and making intelligent manufacturing happen in practice. We have already gone global with customers like Procter & Gamble and major pharmaceutical corporations.

Our way is to make something meaningful from the vast amounts of data, improve quality, increase efficiency, and reduce waste,” said Mattila. Elisa’s concept of Intelligent Manufacturing has been praised on the idea that all areas of a business’s operations can benefit from AI and smart manufacturing processes, from enterprise to the factory floor and back. It has developed solutions covering processes including intelligent procurement, production planning and optimization, and demand sensing. These include data source catalogues, Internet-based use cases, data insights and informed and automated decision making, that put insights and recommendations into action. The company is focused on making sure all data processes work in tandem with one another, avoiding over- or underestimation in any one area, with the goal of offering instant value through proven and pragmatic AI models.

Social information plays a key role in Elisa’s AI processes, and its data computation capabilities are designed to illuminate anomalies, weak points, inefficiencies, and areas for improvement, including through its flagship product, 3D digital factory. Other industries asked us how this trick is to be done and we accepted the challenge, creating a technology known as ElisaSmartFactory, and making intelligent manufacturing happen in practice. We have already gone global with customers like Procter & Gamble and major pharmaceutical corporations.

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key insight in any industry is to understand the risks they’re dealing with. As the response is positive and the dialogue is easy. We offer a very clear perspective, a clear and sharp strategy, and it’s easy for investors to understand the risks they’re dealing with,” he said.

Veli-Matti Mattila
CEO - Elisa

Aktia Bank -
The best of old and new

Finland’s economy is one of the most modern and stable in Europe, supported by a strong institutional framework and a long track record of effective policymaking. This is especially evident in the banking sector, which has remained resilient throughout multiple crises. According to the European Central Bank, the Finnish banking sector’s total consolidated assets surged to hit 322.2% of GDP in Q1 2020, up from 298.8% the previous quarter, and in June this year, Fitch reported Finnish banks remain healthy and well-capitalised, with ample liquidity in the sector despite the Covid-19 pandemic.

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his means banks like Aktia will continue playing an important role in driving the Finnish economy. Aktia’s market strategy stretches back nearly 200 years. It got its start as a small savings bank, took its modern form following a financial crisis in the 1990s, when eight Finnish banks merged to become the present-day entity.

Today Aktia operates as an asset manager and life insurer, boasting a long track record of creating value for its customers over generations. CEO Mikko Ayub said the bank’s focus on responsible wealth creation, as well as strong client partnerships at the individual and corporate level, have kept customers satisfied for centuries. We’re in a medium-sized bank, which means that a customer at Aktia is not just one of tens of thousands of customers, but can be treated in a more special and caring manner, instead of a part of a big machine. That is our sweet spot, in the sense that we are able to create customer service models and customer handling models that the customer really feels they are important to the bank,” he said.

Aktia offers asset management, banking and insurance as a services across digital channels and flagship offices in Helsinki, Turku, Tampere, Vaasa, and Oulu. It employs 750 people in Finland, and serves approximately 300,000 customers.

Although it is best-known as a traditional bank, Aktia’s long history has not prevented it from changing with the times. Its asset management services are soaring - the value of assets under management in fixed-income funds offered to international customers rose by 68% y-o-y in 2019 alone to reach €1.9 billion, while total assets under management stood at €9.9 billion - and a shift towards these services will be one of the most important focal points for the bank’s ongoing mid-term transformation.

Digitalization and sustainability are the other key cornerstones of Aktia’s strategy, and the bank updated its corporate responsibility indicators, prepared a five-year action plan, selected UN sustainable development themes and goals, and updated its climate principles to guide its operations.

“Asset management has a lot of opportunities to grow,” he said. “We have a lot of international investors in our debt products. When we go out with bond issuances, we have a good number of German investors. I think – particularly in days like these we are living in - the rather conservative profile and stability of our bank is delivering something that investors do value. When I talk to investors, the response is positive and the dialogue is easy. We offer a very clear perspective, a clear and sharp strategy, and it’s easy for investors to understand the risks they’re dealing with.”

Mikko Ayub
CEO - Aktia Bank

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The International Investor
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Fitch reported Finnish banks remain healthy and well-capitalised, with ample liquidity in the sector despite the Covid-19 pandemic.
Although economic fallout from the coronavirus pandemic has been devastating, in-demand industries and companies are set for a major growth spurt as the world searches for a new normal. The Economist Intelligence Unit forecasts global healthcare spending will rise by 5.5% in dollar terms next year, while the global personal protective equipment market is forecast to grow by 6.7% annually until 2027 to reach $84.7 billion in value.

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n Finland, a country known for its advanced research and development (R&D), life sciences, and biotechnology ecosystems, economic growth is set to rebound to 3% in 2021, after a projected 5% contraction in 2020. New growth will be driven by companies like Nordic BioTech Group, the creator of a unique and innovative, natural antimicrobial solution called NordShield, a multi-purpose product designed to prevent the spread of disease, viruses, bacteria, and infection. This technology offers a game-changing value proposition for governments, companies, and individuals seeking a safer and cleaner existence.

Nordic BioTech Group was founded in 2016 after more than a decade of intensive R&D under the guidance of polymer chemist Kari Holopainen. Its CEO, Kristoffer Ekman, has spent more than 15 years establishing and overseeing commercialization and business development strategies for companies ranging from startups to some of the world’s best-known multinational organizations, including Accenture, Nordic, Cognizant Technology Solutions (CTS) and Infosys.

For Ekman, the pitch is simple. “Our technology is sustainability-produced from renewable ingredients, safe for the environment, free of heavy metals such as silver, and as our product is produced from by-products of the forest industry, we have nearly limitless access to the ingredients for NordShield. The technology is also non-toxic and has a lower risk of generating resistant microbes or ‘superbugs’ as is the case with e.g. antibiotic resistance. Our break-through technology ticks all the boxes,” he said. The way NordShield works is that once applied, it forms an antimicrobial protective layer that captures and inactivates the virus or bacteria, and prevents them from spreading, similar to a spider web catching a fly. In textile applications, the layer is durable and retains its properties even after dozens of times of washing. The technology has many functions and can be used to treat many different kinds of surfaces, e.g. textiles, non-wovens, and filters by imparting antifungal, antibacterial and antiviral properties to the treated surfaces. NordShield’s anti-viral properties are particularly attractive given the world’s current state of affairs, and in trials conducted with modified vaccinia virus Ankara, a test used to determine its efficacy against enveloped viruses including SARS-Corona, MERS-Corona, and the human coronavirus, NordShield treated fabric reduced viruses by 99%. In fact in April this year, the company announced it has made its water-based antimicrobial fiber application available free of charge to European authorities to be used in their pandemic response. So far bureaucracy, hierarchy, and slow decision-making has made it challenging for authorities to take up the offer, despite significant interest. “We are still not over the pandemic and our offer remains valid. We welcome all European authorities to get in touch with us and we will send NordShield to them upon request - we would be honored to help them in helping their people with our technology,” said Ekman. Before the pandemic, the company had already partnered with organizations around the world forging new ties with groups in Finland, Sweden, Germany, France, China and Japan. It is working to develop a broad range of applications for NordShield, most notably for medical and personal care industries. Now overseeing an international team comprising more than 100 employees and partners, Ekman plans to accelerate the company’s global expansion as commercialization was ramped up in September. New joint ventures and partnerships are expected in the near-term, and Nordic BioTech Group has fielded dozens of calls and queries from interested parties. But for Ekman, it’s all about finding the right fit. “We do a thorough due-diligence on the companies that we work with and more than often end politely declining potential partners. We need them to have the same value-based approach as we do. Us representing a natural-based product is the basis for our value proposition. We put a lot of emphasis on being connected to the right brands, that like us, want to create the best tomorrow,” he said.