



Annual Report 2024

UNIVERSITY OF OULU ANNUAL REPORT 2024

Annual report	3
Activities in 2024	3
Research	3
Education	6
Innovation	8
Personnel	10
Fund-raising	12
Facilities	14
Risk management	15
Financial position	15
Investment activities	17
Assessment of future developments	19
Board of Directors and auditors	20
Board proposal on the processing of the profit of the financial year	21
Income Statement	22
Balance Sheet	23
Cash Flow Statement	25
Consolidated Cash Flow Statement	26

Annual report

Activities in 2024

For the University of Oulu, 2024 was a successful year of operational development and results. Measured by the indicators of the university funding model, the University of Oulu improved its position in terms of education and research performance. The university maintained its positive development in the amount of internationally competitive research funding and its success in applying for national profiling funding. There was significant development in education, especially in the number of degrees. The university's strong position in cooperation relationships and innovation activities continued in 2024, which was also reflected in a broad range of indicators.

The scientific profile of the University of Oulu is based on nine research profile areas. The university aims to be among international leaders in these profile areas and to cultivate an attractive study and work community. In its strategy, the university has identified four global challenges that are overarching themes in its operations. The research profile areas aim to meet these global challenges, and the targets set in the university's strategy guide the university's development towards the 2030s.

The University of Oulu passed an audit conducted by the Finnish Education Evaluation Centre (FINEEC). The university received special praise from the audit team for its central role and its established position in the regional ecosystem of knowledge creation, innovation activities and competence development. The quality label granted on 22 March 2024 for the audit is valid for six years.

As a result of preparatory work that was mainly carried out in 2024, the University of Oulu and the Ministry of Education and Culture drew up an agreement on key quantitative and qualitative targets for the agreement period 2025–2028. The agreement negotiations between the university and the ministry were held in September 2024. The agreement features the shared targets of higher education institutions, the strategic objectives and strategic development measures of the university and the degree objectives, which will serve as a starting point for operational planning in the coming years, in addition to the university's strategy.

The university management underwent changes in 2024. The University of Oulu Board of Directors appointed Professor Mirja Illikainen as the new Vice Rector for Education from 1 March 2024 to 28 February 2029. Arto Maaninen was appointed as Rector of the university for the five-year period that started at the beginning of 2025 by a decision made by the University Board of Directors on 26 September 2024. On 26 January 2024, the University Board selected Mikko Ayub as its chairman for 2024–2025. The composition of the Board of Directors was also updated by one student member and three external members from the beginning of 2024.

Research

The PROF18 application process of the Academy of Finland allowed the University of Oulu to make progress in deepening its scientific profile and reinforcing its research profile areas. Based on the profile themes defined 2024 and the preparation of the PROF18 application, the university's scientific profile was updated with regard to three themes. The Academy of Finland granted a total

of EUR 13.3 million in funding for the profile themes proposed by the University of Oulu. The profiling funding received by the University of Oulu is the third largest in national comparison. The university also continued to reinforce its profile and its preconditions for high-quality research by allocating funding to key four-year research projects as well as emerging research projects that bridge the gap between new initiatives and already established research projects. In 2024, funding was allocated to a total of 54 key projects and 20 emerging research projects.

The development of the university's research infrastructures and related supportive national and international cooperation are central to the development of high-quality research. In December 2024, the Academy of Finland selected 21 high-quality research infrastructures to the roadmap of national research infrastructures for 2025–2028. The University of Oulu's robust position in the national research infrastructure ecosystem persisted thanks to its involvement in ten research infrastructures selected for the roadmap, the University of Oulu being in charge in two of them. In addition, the Academy of Finland has granted Lighthouse status to six of the most successful research infrastructures in the previous roadmap application. The University of Oulu is involved in five of the six recipients of that status and is in charge of one of them, a wireless communications project.

Promoting multidisciplinary and interdisciplinary research, founded on the university's extensive range of disciplines, was integral in the development efforts based on the university's strategy also in 2024. With the university's updated strategy, the previous research focus institutes were renamed Centres for Multidisciplinary Research. The Centres for Multidisciplinary Research continued to support cross-sectoral research, networking between disciplines and foresight work aimed at new initiatives.

The University of Oulu continued its support and development measures for supporting the early stages of research careers to promote future research. As part of this set of measures, the development of the university's researcher education is supported by funding granted by the Ministry of Education and Culture for piloting new practices in doctoral education. With a funding decision made at the beginning of 2024, the University of Oulu received nearly EUR 25 million in additional funding for the education of 98 new doctoral candidates in 2024–2027.

Promoting open and responsible science was one focus area of developing research activities at the university in 2024. A remarkable indication of the effectiveness of the development efforts to promote open and responsible science was the university's ranking at the highest level in the national monitoring of open science and research (AVOTT) in 2024.

As in previous years, the robust development of research performance at the University of Oulu continued in 2024. In 2024, the university's supplementary funding accounted for 42.4% of the total funding. Funding from the Academy of Finland and Business Finland, which are the most important domestic funding providers, increased from the previous year. The most significant increase in complementary research funding was in international competitive research funding, where growth from the previous year was 29% (Table 1). Some EUR 17.2 million of this funding consisted of EU Framework Programme funding and other qualitative competitive EU funding.



Table 1. Research funding

Research funding	2020	2021	2022	2023	2024
Research funding from the Academy of Finland, EUR 1,000	25,484	29,169	29,523	30,802	32,710
Business Finland funding, EUR 1,000	7,607	7,249	10,073	11,723	12,333
International competitive research funding, EUR 1,000	10,103	11,728	14,492	16,147	20,171
Share of supplementary funding of total funding	39.8%	39.5%	41.6%	42.1%	42.4%

The publication volumes of the University of Oulu continued the upward trend of previous years. Researchers at the university published over 3,400 scientific publications in 2024 (preliminary information). In addition to the growing rate of publications, the number and share of publications in the highest categories of the national publication forum, Jufo 2 and Jufo 3, increased significantly from the level of previous years (Table 2).

Table 2. University of Oulu publications

Publications	2020	2021	2022	2023	2024
Jufo-1 publications, pcs	1,702	1,959	1,843	1,713	1,855
Jufo-2 publications, pcs	724	794	731	624	886
Jufo-3 publications, pcs	261	319	400	556	551
Scientific publications, pcs	2,809	3,175	3,088	3,027	3,413

The publication numbers for 2024 presented in the table are not final outcomes (the collection of publication data for 2024 is still ongoing).

Education

In line with the Noste development programme, the focus areas for the development of education at the University of Oulu in 2024 were the attractiveness and retention of education, digitalisation, well-being, continuous learning and internationalisation. Development measures were also targeted at the management and decision-making of education.

The university continued to participate actively in the national Digivisio 2030 project to promote the digitalisation of higher education, preparing for the introduction of the new Opin.fi service by developing both the interoperability of information systems and the processes and quality of the continuous learning offering. The university's longer-term development and targeting of continuous learning education was supported by launching future-oriented work on continuous learning. In addition to launching a national doctoral education pilot, the development of doctoral education at the university was promoted by producing a report on the future operating model of the University of Oulu Graduate School.

Development measures to support the internationalisation and international networking of education continued in 2024 as part of the strategic development of education. The internationalisation of students and university personnel was supported by a wide range of opportunities for international mobility. In 2024, the international mobility of degree students at the University of Oulu remained at the level that was reached after the temporary slump during the coronavirus epidemic. The UNIC Working Conference, focused on the themes of urban research and education, organised by the UNIC network represented by the University of Oulu, was held in Oulu in September. The internationalisation of the university was also promoted through the measures of the Talent Boost programme, which supports the recruitment and integration of international students.

In the first joint application of spring 2024, a total of 14,127 applicants applied to the university's English-speaking master's and bachelor's degree programmes. The number of applicants increased by 70% from the previous year, continuing the growing trend of recent years. A total of 18,357 applicants applied for bachelor's and master's degree programmes in Finnish in the second joint application during the spring. In this respect, the number of applicants increased slightly from the previous year's level (17,580 applicants). During 2024, a total of 15,096 degree students studied at the university (university students registered for attendance or non-attendance according to the situation on 20 September of the statistical year).

A total of 3,170 degrees were completed at the University of Oulu in 2024. In comparison with 2023, the number of completed degrees increased at all levels of education. The increase was the most significant in the number of master's degrees. (Table 3.)

Table 3. Undergraduate and postgraduate degrees completed at the University of Oulu (excl. commissioned training)

Level of education	2020	2021	2022	2023	2024
Bachelor's degrees	1,173	1,050	1,122	1,180	1,325
Master's degrees	1,509	1,446	1,407	1,442	1,650
Doctoral degrees	143	161	170	187	195

A total of 56.7% of the bachelor's degrees at the university in 2024 were completed within the target time. The corresponding share for Master's degrees in 2024 was 48.2%. For bachelor's degrees, the share of completions within the target time increased from the previous year's level. For Master's degrees, the share of degrees completed within the target time remained at the level of 2023 (Table 4).

Table 4. Bachelor's and Master's degrees completed within the target time

Degrees completed within the target time	2020	2021	2022	2023	2024
Bachelor's degrees completed within the target time	568	596	627	630	751
Share of Bachelor's degrees completed in the target time	48.4%	56.8%	55.9%	53.4%	56.7%
Master's degrees completed within the target time	626	648	666	697	796
Share of Master's degrees completed in the target time	41.5%	44.8%	47.3%	48.3%	48.2%



Innovation

The goal of the University of Oulu is to commercially utilise research results so that they produce economic benefits for the researcher, the university and the surrounding society. In 2024, 69 invention notices and three copyright notices were filed by the university. During the year, the rights for 11 inventions were transferred to a research project's business partner.

Based on the inventions, a record-breaking 15 new patent applications were submitted in the name of the University of Oulu. At the end of 2024, the university was the holder of 66 patent families based on priority patents or applications. During the year, the university signed six use agreements: two on patents and data licences, one on a layout design and one on software.

In 2024, the university granted Proof-of-Concept (PoC) funding to ten researcher projects and four student projects. This funding totalled EUR 294,423, with EUR 134,200 coming from the City of Oulu Development Fund. In addition, EUR 239,760 was allocated from the 6GESS NII project to six health and energy PoC projects to be used between 2024 and 25. PoC funding supports the first technical implementation of a research-based idea to demonstrate its feasibility.

One new research-based company was established during the year, and the university currently has a small ownership stake in five spinoff companies. At the end of the year, the university had 15 commercialisation ideas in which setting up a new company is a feasible option.

Table 5. Key Figures of Innovation activities 2020–2024

Year	2020	2021	2022	2023	2024
Invention disclosures	36	46	56	57	72
Priority patent applications	10	10	9	7	15
Patent portfolio of the university (number of patent families)	39	45	52	56	66
Technology transfer agreements (assignment documents or licence agreements for company-commissioned research)	24	13	21	21	17
New research-based companies	2	3	2	1	1
Proof of Concept (PoC) projects	15	17	13	14	14
R2B grants by Business Finland	7*	2	2	3	4

*One of the projects that received a decision in 2020 was part of the autumn 2019 application round (decision received 3 January 2020).

Each year, the University of Oulu engages in cooperation with hundreds of companies and other organisations. A significant part of this cooperation takes place in publicly funded projects, but some involves projects commissioned by corporate clients to meet a specific need. The total financing received from companies in 2024 totalled EUR 5.1 million, with EUR 1.0 million coming from foreign companies. Grants for projects funded by Business Finland increased to a new record of EUR 16.7 million. A total of 21 projects received a positive decision, four of which received funding for the preparation of commercialisation (R2B funding).

Personnel

In 2024, the number of personnel at the University of Oulu grew, and so did the percentage of international teaching and research personnel at the university. In terms of gender distribution, forms of employment and wage development, the situation remained relatively stable. The increase in the number of personnel and international personnel indicate that the university is becoming more attractive. The gender distribution has remained stable, and the gender pay gap has narrowed slightly in recent years. The share of fixed-term employment relationships remains high, which is typical of academic employment.

At the end of 2024, the number of personnel at the University of Oulu was 4,059, which is 5.8% more than in 2023. The number of person-years increased by 4.8% compared to 2023, reaching a total of 3,376. The number of international teaching and research personnel increased significantly in 2024 to 904. This was 10.8% more than in 2023. The relative share of teaching and research personnel at the different career stages, I–IV, remained at the same level as in previous years, while the total number increased by 144 person-years. The number of person-years at career stage I increased by 108 person-years. The average age of personnel decreased slightly, being 41.7 years in 2024. Overall, the share of women in personnel remained almost unchanged at 42.6% in 2024. The rate of fixed-term employment relationships in 2024 was 59.0%. The share of part-time employment relationships decreased slightly from the previous year to 20.6%. (Table 6.)

In 2024, a total of 593 vacancies were filled, including direct recruitments: this is 46.5% higher than in 2023. Of these posts, 66.4% concerned teaching and research personnel (394) and 33.6% expert and support service personnel (199). In 2024, there were a total of 17,772 job applicants, which is 76.5% more than in 2023 (10,064). In 2024, 13 people were appointed to professorships (tenure track and full professor positions) (2023: 21) (this figure does not include career advancements).

Sickness absences of university personnel on calendar days decreased by 15.2% (2024: 16,372 days, 2023: 19,316 days). Mental health absences decreased significantly (2024: 29.1%; 2023: 36.8%) but remained the most prevalent reason for absences. The average number of absence days was 4.2 calendar days per person (2023: 5.1 days). The health percentage, which indicates the share of personnel without any sickness absences, decreased to 60.7% (2023: 67.3%). In 2024, the University of Oulu reported 74 workplace or commuting accidents (2023: 59). The first well-being at work pulse survey was conducted in autumn 2024, looking at certain themes between the well-being at work surveys carried out every two years. Compared to the results of the well-being survey conducted in 2023, the experience of recovering from stress decreased in 2024 (Well-being survey 2023: 3.62; Pulse survey 2024: 3.50). The employer's recommendation index (NPS) increased slightly from the previous year's level (2023: 5, 2024: 6).

In 2024, the University of Oulu Board of Directors approved the Code of Conduct, which took effect in autumn 2024. Personnel well-being and mobility were supported with ePassi and an employee bicycle benefit. Management and supervisory support programmes and forums were continued as planned. At the end of 2024, the University of Oulu had 357 line managers, 94 of whom were in a leading position. Training and communications for line managers and personnel was a cooperative effort with HR services, occupational safety and health, occupational health care services and employment pension providers.



Table 6. Personnel indicators 2022–2024

Indicator	2022	2023	2024
Number of personnel (on 31 Dec)	3,790	3,838	4,059
International personnel (on 31 Dec)	810	930	1,054
Person-years	3,217	3,222	3,376
Teaching and research personnel (person-year %)	58.7%	60.4%	61.7%
Expert and support service personnel (person-year %)	36.9%	35.3%	34.2%
Teacher Training School personnel (person-year %)	4.4%	4.3%	4.2%
International personnel (person-year %)	21.9%	24.0%	26.5%
% of women in personnel	42.5%	42.8%	42.6%
% of women in teaching and research staff	40.3%	40.4%	40.3%
% of women in expert and support service personnel	46.3%	46.8%	46.5%
% of women in Training School personnel	45.6 %	47.4%	49.0%
Average age of personnel (y)	42.0	42.1	41.7
% of fixed-term employment relationships	59.0%	58.0%	59.0%
% of part-time employment relationships	19.4%	21.4%	20.6%
Average salary of women	€3,739	€3,898	€3,980
Average salary of men	€3,989	€4,124	€4,119

Fund-raising

Fund-raising increases the impact of research and education by reinforcing selected research themes and projects. The University of Oulu carries out systematic long-term fund-raising, in which donations are collected for pre-determined donation targets. The fund-raising team is responsible for donor relations and partnerships, especially with foundations, associations and companies that have the potential to support research at the University of Oulu. The aim is to increase the amount and funding of significant strategic projects at the university level.

The donations in 2024 made it possible to start recruitments for a new university lecturer in water technology, for preventive medicine and for an AI professorship, among other initiatives. A total of EUR 2.1 million was donated during the year. Foundations were the largest donor group, but donations from individuals also account for a significant share of the total number of donations.

The donation funds collected in past years were widely used in 2024 for targets in line with the university's strategy. Donations have enabled new research openings, development work related to new technologies and the establishment of new professorships. Donated funds have also been allocated to support the career paths of young researchers, acquire significant research infrastructures, support students and renew teaching. All in all, EUR 2.3 million in donations was allocated to more than 40 different targets.

At the end of 2024, the market value of fund-raising investments totalled EUR 102 million, which represents a significant share of the University of Oulu's investment assets.



Table 7. Fundraising at the University of Oulu. Donations 2008–2024

Donor	2008–2020	2021	2022	2023	2024
Public organisations	1,634,555	300	20,350	30,500	35,500
Foundations, associations	9,010,563	1,626,700	2,344,645	1,444,000	1,030,846
Companies	8,378,242	721,300	937,000	35,000	172,500
Financial and insurance institutes	1,664,872	0	290,000	225,719	210,000
Private individuals	2,688,038	247,299	443,241	410,826	653,747
Business	29,837	0	0	0	0
Total	23,406,107	2,595,599	4,035,236	2,146,046	2,102,593

Facilities

At the end of 2024, the University of Oulu had 152,229 m² of leased premises.

The facility needs survey of the Oulu teacher training school was completed in spring 2024, and in June, the University Board decided to start project plans for a comprehensive school for the teacher training school in Linnanmaa. The primary school functions of the teacher training school in Linnanmaa moved to temporary facilities built on the premises of the secondary school in September 2024. At the same time, the Linnanmaa primary school building was vacated at the end of 2024. In August, the activities of the general upper secondary school of the teacher training school were transferred to the Environmental Building located on the Linnanmaa main campus.

A few user-oriented alterations were carried out on the Linnanmaa campus, the largest of which were alterations to the facility needs of the general upper secondary school at the Environmental Building, the workshop area and the modern office space project. In addition, the facility changes required by the Cryo microscope and alterations to the laboratory animal centre were carried out on the Kontinkangas campus.

A facility needs survey was completed for the Kontinkangas campus in the spring, and it was used for planning a shared building with Pohde and the Oulu University of Applied Sciences. In 2024, the monitoring of the carbon footprint and energy consumption and the implementation of measures aimed at saving energy were continued as planned, for example by adjusting ventilation running times. All the electricity used by the university and the heating on Oulu campuses is produced with renewable energy.

At the end of 2024, an update of the Sustainable and Responsible Campus Life action plan was launched. The implementation period of the current action plan will end at the end of 2025, and its aim is to reduce the university's carbon footprint by 50% compared to 2019. At the end of 2024, wastewater monitoring at the Linnanmaa and Kontinkangas campuses was restarted after a pause.

The purpose of the monitoring is to keep track of the environmental load caused by wastewater in accordance with the industrial wastewater agreement. The first sustainability report of the University of Oulu was published in June 2024, presenting the sustainability work done at the University of Oulu.

In 2024, the development of the university's safety culture continued with safety orientations for new students and new employees. Crisis management at the University of Oulu was assessed with the help of a thesis on the topic. In spring 2024, evacuation exercises were arranged at all properties on the Oulu campuses, and the feedback from these exercises was used to improve the fire safety of the facilities by, for example, increasing the number of fire bells. Statutory ATEX documents essentially related to fire safety were prepared for the FTech and FBMM laboratories. In addition, existing ATEX documents were updated to reflect the current situation. ATEX reports will be produced and, if necessary, documents will be prepared for other faculties with laboratory functions. Safety signs were prepared for in the teaching facilities of the Oulu campuses, with the most essential safety instructions concerning the campuses and the base maps of the campuses. The end of 2024 saw the start of preparations for an electronic safety orientation programme to improve the safety awareness of the members of the university community and to engage everyone in safety work.

Risk management

Risk management is part of the University of Oulu's management system and supports the achievement of the university's strategic and operational objectives. In 2024, in line with the university's risk management process, the university management team carried out a risk survey, assessed the identified risks, decided on the most significant risks to be managed and defined measures to manage those risks. The university's most significant risks are related to adapting to changes in the operating environment and maintaining the performance and high level of its operations.

At its meeting on 28 November 2024, the University Board discussed the progress of risk management work and the key risks identified for the university's operations. Risk management was also promoted as part of the long-term planning of operations and finances, in which the units identified and assessed risks from the perspective of their respective operations.

Financial position

The operating profit for 2024, which means profit without the impact of investment activities and fund-raising, showed a surplus of EUR 1.1 million (deficit of EUR 12.6 million in 2023).

The return on investment and financing activities was EUR 28.9 million (change in fair value EUR 20.7 million), and the university's profit for the financial year was EUR 31.6 million (EUR 11.7 million in 2023).

Turnover in 2024 was EUR 311.4 million (EUR 283.7 million in 2023), of which government funding granted by the Ministry of Education and Culture for 2024 was EUR 179.4 million (EUR 164.1

million in 2023). The funding includes EUR 4.2 million in additional place funding for medicine, EUR 2.7 million in EU matched funding, EUR 1.7 million in funding for the 1,000 doctors pilot project, EUR 2.4 million in one-off additional funding for supporting the university's strategy work, EUR 1.0 million in additional starting place funding granted during the coronavirus pandemic for 2024, and additional funding of EUR 0.2 million for arranging studies and degrees leading to teacher qualifications.

Income from supplementary funding was EUR 132.0 million (EUR 119.5 million in 2023), equal to 42.4% (42.1% in 2023) of total income. The largest increase (EUR 3.8 million) was achieved in the return on EU funding.

During the financial year, total operating expenses amounted to EUR 310.3 million (EUR 296.2 million in 2023), of which personnel expenses accounted for EUR 208.7 million, equal to 67.2% of total operating expenses (EUR 198.0 million and 66.8% in 2023). Other expenses increased by EUR 2.2 million in comparison to 2023, representing 30.1% (30.8%) of total operating expenses. This growth was particularly affected by the increase in facility rents (EUR 2.1 million). Facility rental expenses totalled EUR 30.8 million in 2024 (EUR 28.7 million in 2023), equal to 9.9% (9.7%) of operating expenses.

The amount of supplementary research funding reported to the Ministry of Education and Culture was EUR 92.5 million (EUR 84.8 million in 2023), which corresponds to 29.8% (28.6%) of the university's total expenditure. The figure is calculated using the formula specified by the ministry, and it differs slightly from the figure for grant income given in the income statement.

Supplementary funding consists mainly of project funding from the Academy of Finland, Business Finland and the European Union. Research expenditure on international competitive research funding totalled EUR 20.2 million (EUR 16.1 million in 2023), and research expenditure on domestic competitive research funding totalled EUR 47.7 million (EUR 46.7 million in 2023).

The balance sheet total on 31 December 2024 was EUR 385.7 million (EUR 343.8 million on 31 December 2023). The fixed assets on the balance sheet totalled EUR 322.4 million (EUR 295.9 million on 31 December 2023), while current assets totalled EUR 63.3 million (EUR 48.0 million on 31 December 2023).

Table 8. Financial indicators of the University of Oulu

Financial indicators	2021	2022	2023	2024
Change in net sales %	5.45	1.01	6.52	9.77
Operating profit %	1.74	-4.93	-4.43	0.36
Change in equity % (development of the university's own funds)	13.35	-10.88	4.71	11.87
Return on investments at fair value	11.6%	-11.9%	11.2%	12.9%
Quick ratio	1.21	1.71	1.11	1.75
Adequacy of cash, days	8	40	4	11
Solvency, %	89.9%	86.5%	86.6%	89.6%
Net gearing	-2.14	-12.40	-1.33	-3.47

Key figures calculated in accordance with the Code of Financial Administration in Universities (10 November 2023).

In 2016, the investment assets allocated to the university's asset management portfolios were reclassified under fixed assets as 'other long-term investments'. A significant portion of the university's basic capital is composed of the funds collected through fund-raising, including matched funding from the state. Total equity at the end of the year amounted to EUR 300.8 million (EUR 268.9 million in 2023). The value of University Properties of Finland Ltd shares was EUR 54.2 million and the Group's shares and holdings (acquisition of Oulu University of Applied Sciences in 2018 with 50.5% of the share capital) totalled EUR 5.3 million. Current liabilities amounted to EUR 84.7 million (EUR 74.1 million in 2023) and compulsory reserves totalled EUR 0.2 million (EUR 0.3 million in 2023).

The closure of the operations of CWC Nippon Ltd, a subsidiary of the University of Oulu, is expected to be completed in 2025. The subordinated loan (EUR 30,000) granted to the company and the subsidiary shares (EUR 186,635.79) were written down in the University of Oulu's 2023 accounting.

Total investments in the financial statements amounted to EUR 15.1 million (EUR 15.3 million in 2023). Investment grants received totalled EUR 2.2 million (EUR 4.3 million in 2023). Of the total investments, investments in intangible and tangible assets totalled EUR 15.1 million (EUR 15.3 million in 2023), and other investments amounted to EUR 0 million (EUR 0 million in 2023). The University of Oulu holds 10.57% of the share capital of University Properties of Finland Ltd and 19.44% of the share capital of Certia Oy.

Investment activities

The return on investments was positive in 2024 due to the overall state of the stock market. Indices following market developments were elevated especially by the strong pull of the United States, and the positive development of the market was accelerated by the upturn in China towards the end of the year. On the other hand, the December interest rate decision made by the European Central Bank (ECB) on lowering interest rates weakened the economic outlook for the coming year, which was also supported by the Purchasing Managers' indices of the euro area published in December.

According to the investment policy approved by the University of Oulu Board of Directors, the university is a farsighted investor. The aim is to ensure long-term returns and value development. In accordance with the investment policy, the real return target is 2–3%. Investment assets can be used to match the funding of strategic recruitments and projects or to increase capital.

Since 2013, the University of Oulu has had an Investment Committee tasked with providing recommendations and advice. In 2024, the Investment Committee comprised Maaria Eriksson (KEVA), Kateryna Diesen (Varma), Pirjo Kivari (Oulun Energia), Aki Kangasharju (ETLA) and Chief Financial Officer Pekka Riuttanen (University of Oulu).

University of Oulu's investments in 2024

On 31 December 2024, the market value of the University of Oulu's total investment assets was EUR 235.6 million, and the return on investment activities in 2024 was nearly EUR 27 million. In

2024, the return was 12.9%. The return on the portfolio exceeded the benchmark index set for it by 1.1 percentage points.

The investment assets of the University of Oulu consist of equity and fixed-income funds and alternative investment funds. For a description of assets by portfolio, see Table 9. The return on listed shares was 21.7%, and fixed-income investments in the portfolio yielded 4.3% in 2024. High Yield (HY) corporate loans with a higher credit risk accounted for 8.9% of the university's portfolio, while investment Grade (IG) corporate loans with a lower credit risk accounted for 5%. The return on the portfolio's government loans was 2% during the year, and the university's unlisted Private Equity investments generated 9.6% during the year. The 12-month Sharpe* of the university's entire investment portfolio was 1.8.

Table 9. Summary of the University of Oulu's investment activities in 2024

Summary by portfolio	Weight of stock	Market value (€)	%	Return from the beginning of the year (€)	Return from the beginning of the year (%)	Profit from the beginning of the portfolio (%)
Scholarship Fund of the University of Oulu	56.4%	4,851,645	2.0%	589,971	13.5%	5.7%
Professor Pentti Kaitera Fund	56.3%	1,663,854	0.7%	202,180	13.5%	6.6%
Council Reserve Fund	57.8%	8,456,514	3.5%	1,025,306	13.8%	6.6%
Fundraising	57.3%	52,046,386	21.2%	6,228,829	13.6%	5.9%
State-capitalised assets	57.7%	73,867,116	30.1%	8,968,906	13.8%	5.9%
Liquidity portfolio	34.8%	10,599,510	4.3%	1,393,593	9.7%	4.3%
Match funding	57.3%	49,983,029	20.4%	5,953,738	13.5%	5.1%
Alternative investments	100.0%	34,177,325	13.9%	2,566,631	9.6%	11.6%
Cash assets	0.0%	9,427,107	3.8%	0	0.0%	0.0%
Total		245,072,486	100.0%	26,929,154		

Source: Suomen Sijoitustutkimus Oy 12/2024

Comments on the portfolio's responsibility:

The ESG rating of the University of Oulu portfolio was 7.1 in the comparison of institutional investors by Suomen Sijoitustutkimus Oy, and the portfolio placed in the top third (pioneer). During the year, the carbon risk* indicator of the investment portfolio decreased significantly: the carbon risk of the previous year 2023 was 86.8 (tCO₂e/\$M) and the carbon risk at the end of 2024 was 74.1 (tCO₂e/\$M).

* The Sharpe ratio indicates how much more return a portfolio has produced compared to a risk-free rate per volatility percentage. The higher the Sharpe ratio, the better the portfolio has produced in relation to its risk.

* Weighted average carbon intensity of assets. Measures carbon dioxide equivalent greenhouse gas emissions (Scope 1+2) in relation to the company's turnover.



Assessment of future developments

Changes in the greater operating environment have an impact on the university's future prospects as well. The university's operating environment is being shaped by uncertainties related to global economic development, pressures to adjust Finland's government finances, geopolitical tensions and other global forces of change that have become highlighted in recent years.

A key part of university funding consists of public funding. Government funding allocated to university activities accounted for 58% of the university's funding in 2024. As the university's funding base relies significantly on government funding for universities and also on other public financing, any changes to funding allocated to higher education and research also have a significant impact on the future outlook for university funding. The objective of raising Finland's research and development expenditure in accordance with the Government Programme is also contributing to the outlook for the development of the funding base of the university sector. For the coming years, it will be decisive whether any additional investments in research and development funding will be directed at universities.

Due to the strong performance-based nature of the university's government funding, the development of operational results will also have a significant impact on the development of the university's operating conditions. In terms of the development of the results that the basic funding is based on, the outlook for the future is positive. The university has been able to improve its position with regard to the performance indicators that affect basic funding. The achieved level, alongside ongoing development measures, creates expectations of positive development of results for the coming years as well.

The university will continue its development activities guided by the targets defined in its strategy, striving to strengthen its position in its research profile areas and to cultivate an attractive study and work community. In the coming years, strategically important themes will include safeguarding the prerequisites for high-quality research and maintaining the attractiveness of university education as the population base of university education changes and the needs of students diversify. The university's strategic development will also focus on strengthening complementary funding for research, developing international partnerships and networks, and expanding business and stakeholder cooperation. All in all, the university's strategic investments are expected to be reflected in positive development in operational results and in the university's position as an international scientific university.

Board of Directors and auditors

During the year under review, the Board of Directors of the University of Oulu was chaired by Mikko Ayub and the Board members were Tua Huomo (Vice Chair), Jukka Hiltunen, Tiina Kinnunen, Kimmo Kontio, Pertti Korhonen, Lotta Pennala, Tiina Rajala, Janne Saarikivi, Johanna Uusimaa and Teemu Virtanen.

The auditors were the Authorised Public Accountants BDO Audiator Oy, with Tiina Lind KHT, JHT and Ulla-Maija Tuomela KHT, JHT acting as principal auditors.

Board proposal on the processing of the profit of the financial year

The Board proposes that the profit for the financial year (EUR 31,636,218.07) be entered in the balance sheet retained earnings (loss) account.

At its meeting on 12 February 2013, the Board of Directors decided to set up an unrestricted fund to which the return of unallocated donations will be transferred after the final accounts for each year have been confirmed. No donations were transferred to the unrestricted fund in 2024. Use of the unrestricted fund from previous years takes the form of an intra-balance sheet transfers after the approval of the financial statements. The amount transferred to the restricted fund in 2024 was EUR 1,768,917.10.

Income Statement

Consolidated Income Statement	Group	Group	University	University
	1.1.-31.12.2024	1.1.-31.12.2023	1.1.-31.12.2024	1.1.-31.12.2023
Revenue	366,179,067	336,064,885	311,398,051	283,685,984
Government funding	233,266,136	217,110,205	179,435,079	164,149,000
Income from grants	109,294,037	102,033,251	102,119,793	95,668,574
Income from business	14,202,286	11,123,060	15,071,089	12,324,307
Other income	9,416,608	5,798,370	14,772,090	11,544,102
Expenses	-363,683,938	-347,559,869	-310,273,728	-296,242,056
Personnel expenses	-245,322,155	-233,377,738	-208,658,795	-197,974,978
Depreciation	-9,300,658	-8,118,281	-8,188,938	-7,058,671
Other expenses	-109,061,124	-106,063,850	-93,425,995	-91,208,406
Operating profit (loss)	2,495,130	-11,494,984	1,124,323	-12,556,072
Fundraising				
Income from fundraising and donations	1,898,883	1,912,306	1,791,886	1,849,795
Other fundraising expenses	-45,047	-17,326	-7,176	-6,977
Surplus / deficit	1,853,836	1,894,981	1,784,710	1,842,818
Investment Activities				
Dividend income	1,795,287	1,739,972	1,795,287	1,739,972
Interest income	226,107	185,648	223,366	184,475
Rental income	239,720	211,403	0	0
Profit on sales of investments	7,067,051	1,880,059	5,771,396	1,598,551
Other income	605,516	544,436	531,742	488,527
Maintenance charges	-1,147	-10,553	0	0
Financial charges	-63,358	-75,813	0	0
Loss on sales of investments	-166,753	-657,965	-30,804	-349,802
Other investment expenses	-127,705	-114,810	-88,309	-94,981
Change in fair value	21,860,579	21,782,836	20,694,678	19,657,951
Surplus / deficit	31,435,297	25,485,214	28,897,357	23,224,692
Financial Activities				
Other interest and financial income	160,843	45,141	0	0
Impairments of investments in other fixed assets	0	0	0	-216,636
Interest expenses and other financial expenses	-2,494	-894	0	0
Surplus / deficit	158,349	44,247	0	-216,636
Profit (loss) before appropriations and taxes	35,942,611	15,929,458	31,806,390	12,294,802
Appropriations				
Change tied-up funds	162,786	-237,013	510,459	-181,372
Change equity funds	-1,771,067	-1,327,924	-651,995	-453,911
Income taxes	-91,813	-31,798	-28,636	-90
Minority holdings	-1,312,387	-1,217,152	0	0
NET PROFIT (LOSS)	32,930,130	13,115,570	31,636,218	11,659,429

Balance Sheet

Assets	Group 31/12/2024	Group 31/12/2023	University 31/12/2024	University 31/12/2023
FIXED ASSETS				
Intangible assets				
Intellectual property rights	1,657,511	1,160,722	1,438,726	1,157,208
Other intangible assets	2,651,053	2,609,168	2,517,053	2,567,390
Advance payments	2,176,544	1,589,443	1,963,617	1,489,270
	6,485,107	5,359,333	5,919,395	5,213,868
Tangible assets				
Land and water areas	300,000	300,000	0	0
Buildings and structures	117,742	138,381	117,742	138,381
Machinery and equipment	19,772,488	17,598,660	17,657,384	14,664,577
Other tangible assets	252,382	253,484	26,660	27,762
Advance payments and purchases in progress	3,834,048	1,643,217	2,852,260	1,473,381
	24,276,660	19,933,742	20,654,046	16,304,102
Investments				
Holdings in group companies	0	0	5,289,810	5,289,810
Other shares and holdings	56,719,539	56,567,248	54,919,340	54,887,924
Other long-term investments	243,540,708	221,601,371	229,062,684	208,312,940
	300,260,247	278,168,619	289,271,834	268,490,674
Funds in non-autonomous reserves	17,317,489	15,636,543	6,522,682	5,872,425
TOTAL FIXED ASSETS	348,339,504	319,098,237	322,367,958	295,881,068
CURRENT ASSETS				
Receivables				
Long-term receivables				
Other receivables	2,271,054	2,405,793	1,961,529	2,390,905
Accrued income	187,753	7,417	179,793	0
	2,458,807	2,413,211	2,141,322	2,390,905
Short-term receivables				
Trade receivables	19,091,435	21,670,489	19,088,807	21,428,983
Other receivables	2,822,698	1,535,531	2,576,583	1,423,990
Accrued income	33,688,435	22,146,429	29,314,447	19,213,333
	55,602,568	45,352,449	50,979,837	42,066,305
Shares and holdings	6,500,000	3,000,000	0	0
Cash and bank receivables	17,117,153	13,862,192	10,200,153	3,504,214
TOTAL CURRENT ASSETS	81,678,528	64,627,851	63,321,312	47,961,424
TOTAL ASSETS	430,018,032	383,726,089	385,689,270	343,842,493

ANNUAL REPORT 2024

Equity and Liabilities	Group 31/12/2024	Group 31/12/2023	University 31/12/2024	University 31/12/2023
EQUITY				
Basic capital	112,358,991	112,358,991	112,358,991	112,358,991
Basic capital of Scholarship Foundation	269	269	0	0
Non-autonomous reserves	6,669,364	6,003,291	6,522,682	5,870,687
Other equity of Scholarship Foundation	12,460,404	11,355,411	0	0
Other statutory reserves	12,941,466	13,104,252	12,038,494	12,548,953
Paid-up unrestricted equity reserve	324,692	324,692	0	0
Unrestricted reserves	2,113,055	2,169,782	2,113,055	2,169,782
Other equity				
Operating capital	35,268,582	35,268,582	35,268,582	35,268,582
Translation difference	-34,757	-31,701	0	0
Retained earnings (loss)	104,510,486	91,189,813	100,828,613	89,019,740
Profit (loss) for the financial period	32,930,130	13,115,570	31,636,218	11,659,429
TOTAL EQUITY	319,542,683	284,858,951	300,766,635	268,896,164
MINORITY HOLDINGS	13,502,762	12,140,648		
STATUTORY PROVISIONS				
Pension provisions	31,723	31,723	0	0
Other statutory provisions	189,589	382,957	189,589	335,572
	221,312	414,680	189,589	335,572
GROUP RESERVE	3,524,275	3,524,275		
LIABILITIES				
Debts in non-autonomous reserves	0	250	0	250
Long-term				
Advances received	429,965	998,333	0	486,000
	429,965	998,333	0	486,000
Short-term				
Advances received	53,015,451	36,651,701	49,860,820	33,219,298
Trade payables	5,671,477	6,295,903	4,391,622	5,692,849
Other creditors	10,369,503	14,983,073	9,157,265	13,566,945
Accruals	23,740,605	23,858,275	21,323,338	21,645,416
	92,797,035	81,788,952	84,733,046	74,124,508
TOTAL LIABILITIES	93,227,000	82,787,534	84,733,046	74,610,757
TOTAL EQUITY AND LIABILITIES	430,018,032	383,726,089	385,689,270	343,842,493

Cash Flow Statement

The University of Oulu	1.1.-31.12.2024	1.1.-31.12.2023
Cash flow from operating activities		
Profit (loss) before appropriations and taxes	31,806,390	12,294,802
Depreciation and impairment	8,188,938	7,058,671
Other non-payment income and expenses	-404,513	-241,799
Change in fair value	-20,694,678	-19,657,951
Financial income and expenses	-8,202,678	-3,566,741
Other adjustments	158,410	-2,000
Income and expenses in non-autonomous reserves	141,536	635,283
Change in working capital		
Change in non-interest-bearing receivables	-8,663,948	-8,567,527
Change in non-interest-bearing liabilities	10,094,142	-1,274,061
Paid direct taxes	-490	-90
Cash flow from operating activities (A)	12,423,107	-13,321,412
Cash flow from investment activities		
Investments in tangible and intangible assets (-)	-15,396,526	-15,257,396
Revenue from the sale of intangible and tangible assets	53,910	2,000
Received investment grants	2,152,200	4,261,712
Investments / divestment income from investments (net)	-694,748	-7,128,321
Other net income from investments		
Dividend income from investments	1,795,287	1,739,972
Net income from investments	6,184,025	1,642,294
Cash flow from investment activities (B)	-5,905,852	-14,739,739
Cash flow from financing activities		
Interest and financial income received	223,366	184,475
Cash flow from financing for non-autonomous reserves	-42,075	240,182
Cash flow from financing activities (C)	181,291	424,656
Increase (+) / decrease (-) in cash and cash equivalents (A+B+C)	6,698,546	-27,636,495
Cash and cash equivalents at the beginning of the financial period	3,504,214	31,138,837
Cash and cash equivalents at the end of the financial period	10,200,153	3,504,214
	6,695,939	-27,634,623
Cash and cash equivalents in non-autonomous reserves at the beginning of the financial period	4,577	6,449
Cash and cash equivalents in non-autonomous reserves at the end of the financial period	7,184	4,577
	2,607	-1,872
Total change in cash and cash equivalents	6,698,546	-27,636,495

Consolidated Cash Flow Statement

Consolidated Cash Flow Statement	1.1.-31.12.2024	1.1.-31.12.2023
Cash flow from operating activities		
Profit (loss) before appropriations and taxes	35,942,611	15,929,458
Depreciation and impairment	9,300,658	8,118,281
Other non-payment income and expenses	-438,056	-177,775
Change in fair value	-21,860,579	-21,782,836
Financial income and expenses	-9,733,067	-3,746,625
Other adjustments	255,040	-3,296
Income and expenses in non-autonomous reserves	141,536	635,283
Change in working capital		
Change in non-interest-bearing receivables	-10,019,692	-7,510,674
Change in non-interest-bearing liabilities	10,105,203	-1,892,529
Interest and other financial expenses paid	-3,562	-929
Interest and other financial income received	1,554	1,881
Paid direct taxes	-29,313	-61,087
Cash flow from operating activities (A)	13,662,335	-10,490,849
Cash flow from investment activities		
Investments in tangible and intangible assets (-)	-17,736,068	-16,868,958
Revenue from the sale of intangible and tangible assets	55,583	5,450
Received investment grants	2,945,884	4,721,070
Investments / divestment income from investments (net)	-1,855,926	-6,884,979
Other net income from investments		
Dividend income from investments	1,795,287	1,739,972
Net income from investments	7,574,241	1,776,758
Cash flow from investment activities (B)	-7,220,998	-15,510,687
Cash flow from financing activities		
Interest and financial income received	386,464	228,943
Cash flow from financing for non-autonomous reserves	-56,154	230,605
Cash flow from financing activities (C)	330,310	459,548
Increase (+) / decrease (-) in cash and cash equivalents (A+B+C)	6,771,647	-25,541,987
Cash and cash equivalents at the beginning of the financial period	16,862,192	42,411,883
Cash and cash equivalents at the end of the financial period	23,617,153	16,862,192
	6,754,961	-25,549,692
Cash and cash equivalents in non-autonomous reserves at the beginning of the financial period	105,818	98,114
Cash and cash equivalents in non-autonomous reserves at the end of the financial period	122,504	105,818
	16,686	7,705
Total change in cash and cash equivalents	6,771,647	-25,541,987

Realisation of quantitative targets 2021–2024

Degrees	Average 2021–2024	2024
Doctoral degrees	178	195
Master's degrees	1,486	1,650
Bachelor's degrees	1,169	1,325

Supplementary research funding (expenditure based), EUR million

Research funding	2021	2022	2023	2024
Total supplementary research funding	70.5	77.2	84.8	92.5
% of total expenditure	27.2	27.6	28.6	29.8

National competitive research funding, EUR million

National competitive research funding	2021	2022	2023	2024
Academy of Finland	29.2	29.5	30.8	32.7
Business Finland	7.2	10.1	11.7	12.3

International competitive research funding, EUR million

International competitive research funding	2021	2022	2023	2024
EU Framework Programme funding and other qualitative competitive EU funding	9.5	11.7	14.1	17.2
Other foreign funding	2.3	2.8	2.0	3.0

Breakdown of total costs, EUR million

Breakdown of total costs	2021	2022	2023	2024
Personnel expenses	179.3	190.6	198.0	208.7
Depreciation	6.4	6.5	7.1	8.2
Materials, supplies, goods	10.3	12.8	12.0	10.8
Purchases of services	16.2	17.0	18.1	18.4
Rents for premises and other rents	29.4	30.3	30.8	33.2
Travel expenses	1.3	5.4	8.2	7.7
Other expenses	16.2	16.9	22.1	23.3
TOTAL	259.1	279.5	296.2	310.3

Breakdown of income, EUR million

Breakdown of income	2021	2022	2023	2024
Basic funding	159.6	155.6	164.1	179.4
Compensation for teacher training schools	7.0	7.2	7.1	7.4
Supplementary funding	97.1	103.5	112.5	124.5
TOTAL	263.7	266.3	283.7	311.4



**UNIVERSITY
OF OULU**