1. Objective

Fingrid is responsible for Finland’s electricity system and main grid; as such, Fingrid also has a key responsibility towards the functioning of our whole society. In our corporate operations, we are committed to following and developing responsible and ethical operating methods in line with sustainable development. All our employees are committed to our Code of Conduct, in the preparation of which we have taken account of the UN Global Compact and the Guiding Principles on Business and Human Rights.

In our operating model, the network of service and goods suppliers and good cooperation with suppliers are especially important. We want our contractual partners who supply us with services or goods to be aware of Fingrid’s significant social duty and to commit to responsibility for the economic, social and environmental effects of their operations and good governance. We are ready to support our contractual partners in promoting responsibility in their own operations, for example by sharing our own experiences and by working together to develop operating practices. In that way, we can also improve the reputation of our field of business and increase confidence in our industry.

2. Legal compliance and business practices

When supplying Fingrid with services or goods, a supplier shall comply with applicable legislation and these corporate responsibility requirements (Supplier Code of Conduct) or other separately agreed, similar corporate responsibility requirements. In addition, a supplier shall ensure and monitor that its suppliers also comply with legislation and the agreed corporate responsibility requirements with regard to deliveries to Fingrid. The supplier is also obligated to provide Fingrid with information on its impacts on the environment and people, other impacts on corporate responsibility, and on its compliance with regulation thereto. A supplier shall

- maintain appropriate procedures to prevent corruption, extortion and bribery and to comply with the applicable international sanction programs in its operations. A supplier shall not offer, promise or give gifts or honours that might lead to a dependent relationship or to the expectation of something in return
- refuse money-laundering in all forms
- ensure and monitor that the members of the management or administrative bodies or other people with authority working for the supplier or its suppliers do not include people upon whom a ban on business operations has been imposed or who are on a sanctions list (e.g., EU or UN)
- undertake to compete honestly and ethically
- ensure that confidential information concerning business is kept secret
- keep true, up-to-date and fair financial and other information about its business in the proper official registers
- correctly take care of taxes, payments and other obligations for its business, including obligations to its own suppliers.

In addition to these requirements, separate contract terms concerning subcontracting and the use of labour shall be applied in construction contracts and procurement of services.

3. Human rights, work and working life

Responsible efforts are characterised by the fact that the work input of each employee is appreciated and that well-being at work is ensured.

A supplier shall comply with the UN Guiding Principles on Business and Human Rights and respect internationally recognised human rights. A supplier shall

- avoid operating in a manner resulting in adverse human rights impacts
- address any adverse human rights impacts when they occur
- take measures of remediation when required.

A supplier shall also require that its business partners respect human rights.

Through its own operating practices and control mechanisms, a supplier shall ensure that its operations are in line with human rights responsibilities.

A supplier shall especially

- recognise the employees’ freedom of association and the right to collective bargaining
- prohibit the use of child labour. The age for starting work shall be at least 15 years (or 14 years in the developing countries in compliance with the guidelines of the International Labor Organization ILO). Employees under the age of 18 shall not be subjected to hazardous or unsafe working conditions in terms of health and development.
Appendix 3 to the Yearly Market Agreement and Hourly Market Agreement for Frequency Containment Reserves

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- prohibit the use of **forced labour**. Forced labour means forcing a person in some way to work against the person’s will or, for example, demanding that the person’s personal identification documents be handed over to the employer for safekeeping.
- treat employees with dignity and respect, and forbid all kinds of **discrimination** against employees.
- offer **terms of employment** in a language that the employees understand.
- to ensure that **employment contracts** are drawn up in writing and that no recruitment fees are charged from the employees.
- pay its employees at least the **minimum wage** for normal working hours and overtime in accordance with applicable national legislation or general practice in the sector. The wage must be paid regularly and directly to the employee or into the employee’s bank account, taking into consideration the provisions of national legislation.
- observe national legislation applicable to **working hours**. Working hours shall not be unreasonably long, and sufficient rest periods shall be ensured for employees. Generally, each seven-day period shall have at least one day off.

If the requirements of national legislation conflict with internationally recognised human rights, the supplier shall seek ways to honour human rights.

4. **Occupational health and safety**

At Fingrid, the safety of the main grid and those working in connection with it is extremely important. A supplier shall

- observe applicable occupational health and safety legislation and other requirements.
- offer its employees a safe, healthy and well-managed **working environment**.
- define **responsibilities** related to occupational health and safety.
- assess the **risks** related to occupational health and safety, including environmental risks.
- act to **prevent** accidents, injuries, hazards and risk factors from occurring due to work or the working conditions and further to follow up the efficiency of its actions.
- provide its employees with sufficient **instruction and training** in occupational health and safety, as well as personal protective equipment.
- document and investigate **accidents, near misses and safety observations** related to occupational health and safety.

In addition to the above, separate contract terms concerning safety are stipulated on construction sites and other work locations.

5. **The environment**

The main grid is developed and maintained taking into account the long-term impact on the environment and of land use.

A supplier shall observe all legislation and regulations applicable to environmental matters. In addition, separate contract terms concerning environmental matters are stipulated in Fingrid’s construction contracts and procurement of services.

The supplier should always endeavour to **reduce the negative environmental impacts of its operations**. Particular attention should be paid to assessing the environmental impact and take advance precautions against environmental risks in accordance with the precautionary principle. Sufficient guidance and training on environment issues should be provided to the employees. With regard to services and goods provided to Fingrid, the supplier shall ensure that their manufacture is covered by the required, valid permits, whose permit conditions are observed.

Suppliers are also encouraged

- to use a certified **environmental management system** or otherwise systematic management of environmental matters described in writing.
- to use and develop **environmentally friendly solutions**.

6. **Monitoring and sanctions**

If, in its own network of suppliers, a supplier notices a breach in this Supplier Code of Conduct concerning services or goods supplied to Fingrid, it must immediately notify Fingrid about this. On request, a supplier shall provide Fingrid with information concerning the fulfilment of this Supplier Code of Conduct.

Fingrid may, either by itself or using a third party, audit compliance with this Supplier Code of Conduct. Possible auditing is done in cooperation with the supplier. The supplier is obligated to aid Fingrid in the execution of an audit in a manner deemed reasonable, such as allowing inspections at the workplace and by producing the required information on time.

If a supplier is observed to have breached this Supplier Code of Conduct, the supplier is obligated to rectify this breach within an amount of time agreed...
together with Fingrid. If the supplier does not rectify its breach within the agreed time or provide an appropriate account of its procedures to rectify the breach, Fingrid has the right to cancel any order it has placed, suspend ongoing work or terminate the main contract to which this Supplier Code of Conduct is appended. A breach can also lead to the supplier being rejected in subsequent bidding competitions.

In order to ensure operational responsibility, a confidential and independent notification channel is also available on the Fingrid website: Raise a compliance concern - Fingrid