

The principles governing Finnvera's business operations – Code of Conduct

1. Finnvera's role in society

We build our operations on exercising responsible impact

Our special social role in the national financial sector is to facilitate and augment Finnish enterprise activities. We contribute to Finland's success and competitiveness by promoting new business, growth, internationalisation and exports.

The central issue in pursuing impacts on society is responsibility as an element of daily work. Our financial responsibility is based on self-sustainability and capital adequacy. Our financing operations are based on the provision of financing for economically viable business and meticulous risk assessment when making financing decisions. Finnvera, and the transactions we finance, are responsible with regard to the environment and people.

Our task is to supplement the financial services offered by banks and other providers of financing. In our service model, we actively offer our expertise and problem-solving capacity for the benefit of our clients. We know our clients, which means that we can provide them with the best possible financing solutions. Our financing decisions are based on detailed and comprehensive enterprise analysis.

Our aim is open and active stakeholder cooperation

We operate in a cooperation network that consists, first and foremost, of banks, other private providers of financing, Team Finland members and closely related authorities. In these partnerships, we are as active, open and impartial as possible. It is important for the development of our operations to understand the needs and views of our stakeholders.

Team Finland cooperation serves as a platform for disseminating information about our services, for producing joint assessments of enterprises' needs and for providing our clients with comprehensive business services. When working with banks, the goal is to act as an active and consistent co-financier supplementing the financial market.

In addition, we cooperate with Finnish organisations, such as the Federation of Finnish Enterprises, Finland Chamber of Commerce and the Confederation of Finnish Industries, to promote awareness of Finnvera's financing and, in that way, to improve enterprises' financing options. We participate in the activities of international organisations, such as the OECD and the EU, by sharing expertise and bringing Finland's views to decision-making. In questions related to the management of environmental and social risks, we consult relevant NGOs.

We comply with regulations and the rules governing State's ownership steering

Finnvera is a State-owned specialised financing company, which means that our operations are strictly regulated. The corporate governance of Finnvera and its subsidiaries is organised in accordance with the Limited Liability Companies Act and the acts pertaining specifically to Finnvera. In our operations, we also comply with a number of other national and international statutes, international treaties and the industrial and ownership policy goals set by the State.

Our operations are steered and supervised by the Ministry of Economic Affairs and Employment, which is responsible for the ownership steering of Finnvera. In addition to rules and regulations, we also observe the recommendations, guidelines and best practices of a number of different authorities, as applicable. We also adhere to internal operating processes and internal procedural guidelines specifying how to apply the rules and regulations.

Our financial reporting is in accordance with the International Financial Reporting Standards. The notes to our consolidated financial statements and the parent company's financial statements also fulfil the obligations laid down in Finnish accounting and corporate law. In our operations, we comply with good corporate governance, and the goal is to ensure transparency at all levels of the organisation.

2. Responsibility in Finnvera's financing operations

We make our decisions on an impartial basis and treat our clients equally

We ensure that our financing operations are independent and justifiable both objectively and appropriately. Our financing decisions are based on business assessment criteria laid out in advance, which are impartially reviewed in accordance with the principles that have been incorporated in our credit policy and detailed guidelines and that are applied in an impartial manner. We are aware that in certain situations, it may be in the client's best interest to be redirected to a private provider of financing. In order to avoid conflicts of interest and to ensure impartiality, we observe the disqualification provisions laid down in the Administrative Procedure Act. Under these provisions, Finnvera employees must withdraw from participating in the preparation of a financing decision or in decision-making in situations where they are disqualified. The disqualification provisions apply to all situations where the decision-making process involves or would seem to involve a conflict of interest as a result of the position of the employees in question or persons close to them.

Our operations must not be based on inappropriate or otherwise irrelevant purposes. It is strictly prohibited to receive or offer any financial or other benefit if it is likely to undermine confidence in the party concerned or in the impartiality of Finnvera's actions. For this reason, we do not accept or offer valuable gifts or gifts that are in excess of the reasonable hospitality expected in ordinary business operations.

Anti-bribery activities and tax responsibility

We apply anti-bribery principles in all our operations. In our export financing operations, we comply with the OECD's anti-bribery recommendation for export financing, according to which we try to identify bribery risks in advance and minimise the risk of bribery in export trade by requiring the exporter and the beneficiary of the guarantee, among others, to provide separate declarations stating that no bribery is involved in the export transaction.

We require our client enterprises to comply with applicable tax regulations and good taxation practices. In our role as a public provider of financing, our aim is to ensure that taxes are not evaded in the operations of the enterprises we finance. To achieve this, the aim in our financing transactions is to identify the tax evasion risk through so-called tax haven connections related to enterprises' ownership background and to minimise the risk of tax evasion by requiring in these situations that client enterprises provide a separate account of their compliance with tax obligations.

Knowing your client (KYC)

In our financing operations, we comply with practices against money laundering and the financing of terrorism by utilising the client identification and KYC (Know Your Customer) obligations recommended by the Financial Supervisory Authority, where applicable.

The KYC obligations include verifying the identity of the client, the person acting on behalf of the client and the actual beneficiaries of the client, collecting data on the purpose and nature of the intended client relationship and storing client information.

The objective is to ensure that no funds obtained from illegal sources are transmitted to a financing system through us and that no obtained funding is used to finance terrorism or other illegal operations. We also aim to ensure our compliance with international sanctions by utilising the KYC obligations.

Management of financing-related environmental and social risks

The management of environmental and social risks related to Finnvera's financing operations is guided by a separate policy and more detailed guidelines. When Finnvera participates in the financing of an export transaction, the environmental and social impacts are assessed and the related risks are managed. We also take into account the principle of sustainable development and observe the internationally accepted environmental and social impact assessment principles and procedures. The foundation for Finnvera's environmental and social risk management is the UN Guiding Principles on Business and Human Rights and the Recommendation of the OECD Council on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence.

Sustainable lending

When granting export credit guarantees and export credits for the poorest countries, we comply with the principles of sustainable lending approved within the OECD. This means that we take into consideration the public sector indebtedness limits set by the IMF and the World Bank.

3. Confidentiality of operations

Processing client information is based on confidentiality

In our financing operations, we are bound by law to so-called bank secrecy. The bank secrecy applies to any client relationship information, including the potential existence of a client relationship. Infringement of the confidentiality obligation is punishable by law.

However, we may disclose client information under certain circumstances, based on law or the client's separate consent, especially to Team Finland parties taking part in the provision of business services (including Business Finland and Centres for Economic Development, Transport and the Environment). In this manner, we fulfil our part in ensuring the best possible services for our clients in the Team Finland organisations.

We process insider information with particular care

In processing insider information disclosed by listed company clients, we follow a strictly confidential procedure that is restricted in terms of processors and monitored through an insider register specifically compiled for each financing transaction.

Nobody is allowed to use confidential or insider information for their own benefit or the benefit of other parties.

We respect the privacy of clients and employees

In all personal data processing, we comply with the obligations related to the protection of privacy in accordance with the data protection regulations. We only collect and process personal data for legal purposes. At Finnvera, personal data can only be accessed by employees that have the right to process it as part of their duties. In all personal data processing, we observe the duty of care, according to which we ensure that the data in our possession is processed securely. We take measures defined in regulations to realise the data protection rights of the data subjects.

Information security is an essential and inseparable part of our operations

Due to the information-dependent nature of our operations, ensuring appropriate and secure processing of data is a key goal in our corporate security.

In our operations, we are committed to comply with the information security regulations of the state administration, and our information security fulfils the so-called increased-level information security requirements set in legislation.

We instruct our personnel on secure operations in line with good data processing practices with the help of guidelines and training.

4. Finnvera as an employer***We work together to ensure that Finnvera is a fair, equal and encouraging workplace***

Employees are key to our business operations. Mutual respect and appreciation are important resources for our business operations. Finnvera is a safe place to work where everybody is treated equally. We have zero tolerance for any kind of bullying, harassment or discrimination. We provide equal opportunities for promotion for all employees, irrespective of their age, gender or other personal qualities.

We apply equal, fair and impartial management practices

Management practices in Finnvera are based on openness and trust. Equality, fairness and impartiality must be the principles guiding management practices in all situations. People holding supervisory positions are similarly bound by the guidelines, decisions and instructions issued at the top level. We manage by setting an example and staying close to practical work and provide our personnel with clear targets and responsibilities. Our decision-making is clear, timely and coherent. We are able to give and receive feedback. Any problems, violations and other deviations observed must be properly dealt with.

We promote success and well-being at work

Our aim is to provide our personnel with competitive basic pay as well as attractive fringe benefits and an incentive bonus system. The well-being of our employees should be fostered and we want to promote it by offering flexible working arrangements and working hours, for instance. In addition, we support the personnel's recreation with activities organised by the recreation committee.

We want to ensure that Finnvera personnel members are experts in their own fields who can develop their competence as part of their work, share their expertise and help each other. We provide our personnel with training and development opportunities that support their current or future tasks. Personnel development is based on the 70/20/10 model (70% through work/20% from colleagues/10% through training).

5. Adherence to principles and reporting violations***We are all responsible for adhering to these principles***

It is easy to take the ethical nature of operations for granted. However, anybody can face situations where you have to make ethical choices. We are all jointly responsible for building an ethical corporate culture.

All employees must be familiar with the latest versions of the guidelines relevant to them. If you are uncertain about how to comply with Finnvera's business principles or how to interpret the application of the guidelines concerning or if you think that misconduct has taken place, you should discuss the matter with your supervisor, HR or the Compliance function.

You can also report suspected misconduct directly via Finnvera's whistleblowing channel: www.finnvera.fi/eng/whistleblowing. All contacts are treated confidentially in all situations. We also have company-internal feedback channels where you can make initiatives, report risk events and give other feedback.