

# Gasgrid Finland Code of Conduct

## Gasgrid Finland Oy – Code of Conduct

These guidelines define the principles and policies that guide the day-to-day operations of Gasgrid Finland Oy in a single document titled the Code of Conduct.

### Responsibilities:

The guidelines apply to all Gasgrid Finland Oy employees.

The guidelines are maintained by HSEQ Manager Minna Tolonen, and the guidelines including any future changes are approved by Gasgrid Finland Oy's Board of Directors.

# Contents of the guidelines:

1	<b>Message from our President &amp; CEO</b>	3
2	<b>Our ethical principles</b>	4
3	<b>We implement our strategy with determination and develop our operations</b>	5
	3.1 Mission	5
	3.2 Vision 2035	5
	3.3 Strategic objectives 2023	5
	3.4 Research, development and innovation	5
4	<b>We ensure the safety of gas transmission</b>	6
5	<b>We operate responsibly and continuously improve our operations</b>	7
	5.1 Sustainability	7
	5.2 Quality	7
	5.3 Environment and energy	7
6	<b>We prepare in advance</b>	8
	6.1 Risk management	8
	6.2 Preparing for possible disruptions	8
	6.3 Systematic and safe processing of information	8
7	<b>Our personnel's values</b>	9
	7.1 Human resources	9
8	<b>Finance, procurement, communications and stakeholder collaboration bring added value to our company</b>	10
	8.1 Finance	10
	8.2 Procurement	10
	8.3 Communications	11
	8.4 Rules for stakeholder collaboration	11

# 1 Message from our President & CEO



Gasgrid Finland strives for excellence in leadership and corporate governance. Our Code of Conduct improves our sustainable, reliable, and effective operations, increases personnel and customer satisfaction, and contributes to meeting the expectations of our stakeholders and owner.

All Gasgrid Finland employees must adhere to this Code of Conduct. The Board of Directors approved this document on 1 January 2020 and updated it on 18 January 2021. The document is a part of a framework approved by the Board of Directors, including also our Corporate Governance Principles and Risk Management Policy. The company also has more detailed operating procedural guidelines. The experts in each area are responsible for their content. The guidelines are approved by the owner of the guidelines, the management forum or the management team.

Our starting point is that the Code of Conduct is central to the implementation of our strategy. Management is responsible for preparing the policies, for the overall management system and sustainability, but each of us is expected to act and make decisions in our role in accordance with the Code of Conduct. We also aim to develop the Code of Conduct with our entire staff – all feedback and ideas for improving our operations are important.

Thank you for the observations in 2020 that formed the basis for this update.

Olli Sipilä  
President & CEO

**“The Code of Conduct is central to the implementation of our strategy.”**

## 2 Our ethical principles

Gasgrid Finland is the Finnish gas transmission system operator with system responsibility. We take care of the gas transmission infrastructure of Finnish society and the related system. Our Code of Conduct and good governance support social acceptance by creating a common value base and ethical principles. Leadership and decision-making in the company must adhere to the Corporate Governance Principles, the principles of these guidelines, and the company's values.

We comply with the current laws and regulations, applicable standards and voluntary commitments in our operations and interactions with our stakeholders. The biggest and most influential change in our operating environment has been the entry into force of the Finnish Natural Gas Market Act in 2018, which opened the natural gas market to competition from the beginning of 2020. In addition, another major statute guiding our operations is the Finnish decree on the safety of natural gas processing, which is supervised by the Finnish Safety and Chemicals Agency TUKES. Our risk management is daily, proactive and systematic, ensuring that gas transmission is uninterrupted and our other goals are met.

We are a reliable partner for our customers and stakeholders. For customers, reliability is reflected in a high level of security of supply and safe operations. We act on an equal, open and impartial basis with respect to our stakeholders.

We respect human rights and under no circumstances accept the use of forced, undeclared or child labour. We also have a zero-tolerance policy against corruption and bribery. Under no circumstances will our employees receive from or offer to anyone business gifts, mementos or hospitality that would exceed the usual and reasonable practice in the field. The value of a business gift received by an employee may not exceed EUR 100 and that of any other benefit, EUR 150. Receiving and giving gifts or benefits of greater value must be approved by the supervisor.

Employees' conflicts of interest must not affect decision-making at Gasgrid Finland. A conflict of interest arises if the independence of an employee involved in decision-making is compromised, for example because the decision-making may benefit or adversely affect the employee personally, his or her family member or another close person. Conflicts of interest can also result from work, business operations, or external board membership in another company. An employee must not participate in making a decision which may have or give rise to such a conflict of interest. The management of the company must be notified immediately if there is any suspicion that a conflict of interest may arise.

Our Code of Conduct helps in day-to-day decision-making and problem-solving. If anyone detects deficiencies in complying with the ethical principles, the matter can be reported via the company's website or directly to the person's supervisor. All reports on deficiencies will be appropriately investigated and corrective measures will be taken.

**“Our Code of Conduct helps in day-to-day decision-making and problem-solving.”**



# 3 We implement our strategy with determination and develop our operations

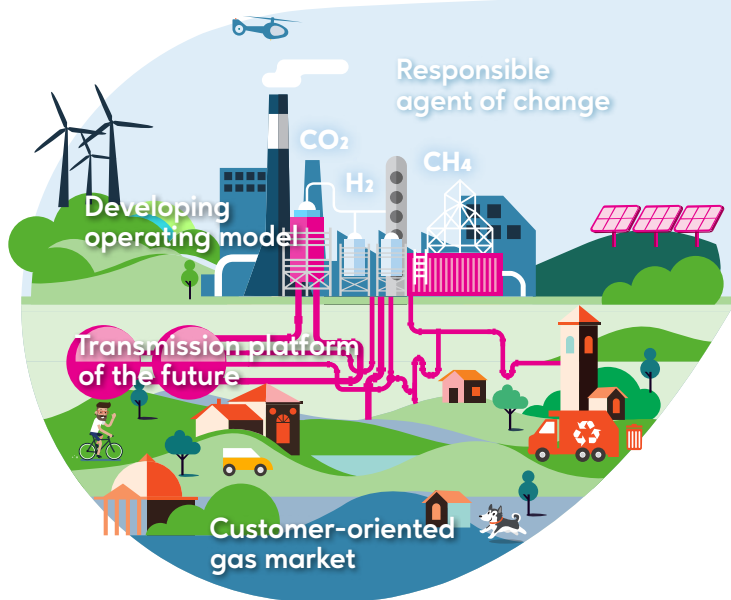
The company's mission, vision and strategy until 2023 were revised in 2020 through a process that extensively engaged the personnel and stakeholders.

## 3.1 Mission

We offer our customers safe, reliable and cost-efficient transmission of gases. We are actively and in a customer-oriented manner developing our transmission platform, services and the gas market to promote a carbon-neutral energy and raw material system of the future.

## 3.2 Vision 2035

Gases enable a carbon-neutral society – we provide a platform for it.



## 3.3 Strategic objectives 2023

The strategy is implemented through four main themes:

**Transmission platform of the future:** We develop the company's success factors for the implementation of hydrogen as well as a clean-gas market and sectoral integration.

**Customer-oriented gas market:** We aspire to be the leading company in the Baltic Sea region in promoting a competitive and customer-oriented gas market and ensuring reliable, safe and cost-efficient gas transmission.

**Responsible agent of change:** We build impact, awareness and partner networks and integrating responsibility into the daily life of our organisation to bring about extensive change.

**Developing operating model:** We build a strong foundation for a prosperous, adaptable and developing organisation and operating model to implement Vision 2035.

## 3.4 Research, development and innovation

Research, development and innovation (RDI activities) are important from the perspective of developing our company's future operations. The purpose of research, development, innovation and new business development activities is to support and promote the realisation of our company's vision. We facilitate the change by carrying out long-term, systematic, impactful and customer-driven research, development and innovation work. The purpose of RDI is to produce and share information in support of implementation in these areas with the focus on the new but leaning strongly on existing operations.

In RDI activities, our purpose is to be an active operator bigger than our size, transparent, promoter of equality, an enabler with our sights set on the future. Our RDI activities are based on an open dialogue, networking and cooperation with operators in the field. We develop products, solutions, our services and the market in a customer-driven way and strive to be one of the enablers of the energy revolution. We take a neutral view of the various technologies and promote the operating conditions of the sector by sharing and developing our expertise. We support the open science approach and the publication of RDI results. In joint development projects, we are a reliable and competent partner.

# 4 We ensure the safety of gas transmission

“ We work every day to ensure that no one is injured in the transmission of gases.”

We work every day to ensure that no one is injured in the transmission of gases. Our starting point for safety is gas transmission safety and accident-free operation in our own work as well as in the work of our suppliers.

We take care of the safety of all our employees by carrying out surveys of the workplace, as well as evaluations of dangers and risks. We are continuously monitoring the safety level, as well as training, observing deviations and reviewing safety-related matters in various forums with the personnel.

## Our safety principles:

- We systematically maintain and develop our safety culture
- Everyone has the permission and obligation to intervene in unsafe operations and to take care of well-being
- We train, follow and monitor specified safety guidelines and safe working practices
- We record and investigate all safety-related incidents
- We consider safe mobility in our operations
- We require a similar safety culture from our partners

## Security in the supply chain

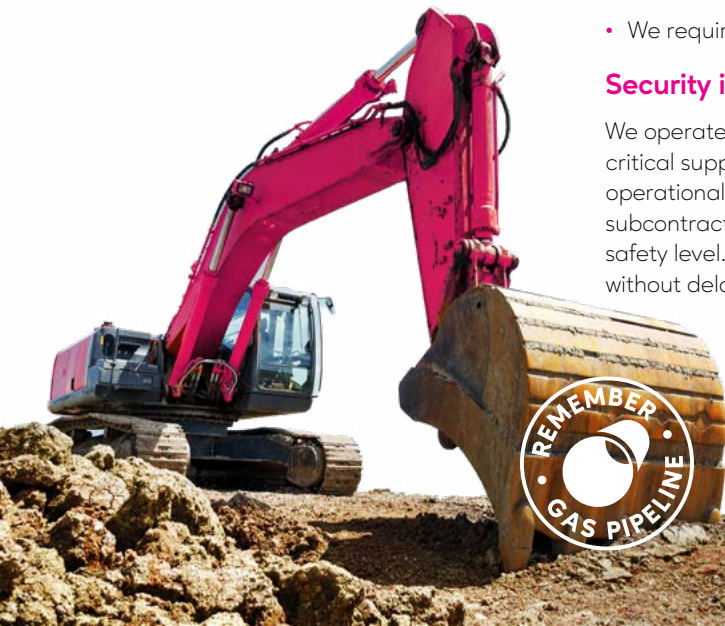
We operate responsibly and require service providers and critical suppliers as well as projects to comply with the safety and operational principles set by the company. We also require that the subcontractors of direct contracting partners adhere to the same safety level. Any deviations in operations must be reported to us without delay. Every accident, environmental incident, damage to property or a threat thereof will be investigated, jointly, to determine corrective measures. We train every person working in the company electronically in occupational safety and in our

operational procedures. We require that our partners complete the online safety course in advance. To ensure safety, land use and construction have been restricted in the vicinity of natural gas pipelines, and our company provides advice about safe operations. We also monitor development work related to safe gas transmission in Finland and abroad and implement best practices in our operations.

## Security factor (Corporate security, Confederation of Finnish Industries)

### Perspective

<b>Personnel security</b>	Protecting employees, customers and key persons from crime and accidents
<b>Environmental safety</b>	Ecological sustainability and solutions. Mitigation of climate change.
<b>Occupational safety</b>	Safe work and employee well-being
<b>Safety of production and operations</b>	Product liability and safety
<b>Information security</b>	Managing the confidentiality, availability and integrity of information
<b>Property and facility security</b>	Appropriate and systematic protection of facilities' integrity
<b>Management of misconduct and deviations</b>	Protecting the organisation's operations, staff and assets against internal or external parties
<b>Preparedness and crisis management</b>	Anticipating and preparing for unexpected situations
<b>Emergency safety</b>	Fire safety, emergency plans and insurance



# 5 We operate responsibly and continuously improve our operations

## 5.1 Sustainability

Sustainability is even more strongly integrated into our business in our new strategy. The Board of Directors is responsible for the management of sustainability. Our company is a good corporate citizen, and we contribute to ensuring the long-term development and renewal of society. We consider financial, social and environmental impacts in our operations.

A sustainability programme has been created for our company, and we regularly report on its implementation to our stakeholders. Sustainable corporate citizenship, people, security and safety of supply, and the shift towards carbon neutrality are key priorities of sustainability. In 2020, we performed a relevance materiality assessment of sustainability together with our stakeholders. The following were assessed by our stakeholders to be the most important sustainability themes: reliability of the gas supply, preparedness for emergencies, the personnel's professional skill, as well as safety throughout the supply chain.

In 2020, we have also linked a sustainable development target programme in accordance with the UN's Agenda 2030 with our operations as part of sustainability development. The company has also prepared its Society's Commitment to Sustainable Development. As a concrete action under the commitment, the

**“The focus points of Gasgrid Finland's sustainability work are five of the UN's Sustainable Development Goals.”**



generation of methane emissions are reduced and prevented.

We also require our partners to operate responsibly, and a separate listing of the requirements has been prepared for suppliers. As regards sustainability, suppliers are required to comply with responsible operating practices as well as precautionary principles and the principles of due diligence. Pollution prevention is a general principle governing our operations. Suppliers must seek to minimise methane and carbon dioxide emissions in all their activities, and we also require the prevention of other environmental emissions. We observe human rights responsibly and transparently in our operations and in the supply chain. As part of risk management, the company also identifies risks related to sustainability in its operations and in the value chain.

## 5.2 Quality

Our company has a management system that will be certified according to the safety (ISO 45001:2018), quality (ISO 9001:2015) and environmental (ISO 14001:2015) standards and the guidelines of the energy efficiency system (ETJ+). The management system is led by the management of the company, and our employees act according to the management system and promote the set objectives.

Our company strives for continuous improvement in its operations to meet stakeholder expectations and needs. The management system is based on risk-based thinking and process management. The management system is audited annually by both an external body and our internal audit team.

The most important quality target in our operations is to achieve a high level of security of supply every day. In addition, acting as system operator for the natural gas pipeline sets targets for the quality of gas transmitted through the network and thereby for the fulfilment of customer requirements. The company also ensures the security of supply of the natural gas pipeline by maintaining the operational capacity of the network.

## 5.3 Environment and energy

The most important guiding megatrends in environmental and energy matters are the mitigation of climate change and the electrification of society. Gas transmission aims to prevent pollution and to fully comply with all compliance obligations. Our company is also responsible for environmental and energy matters in the supply chain, and we pursue responsible operations throughout the life cycle of our products and services, from design to decommissioning of the infrastructure.

Our environmental and energy targets go hand in hand. The most significant environmental and energy aspects of the company's operations are energy consumption, methane and carbon dioxide emissions, and impacts during the construction of the infrastructure. Our goals are minimising emissions in our own operations during the construction, operation, maintenance and end-of-life-cycle phases, as well as high energy efficiency and disturbance-free operation. We are also preparing to develop the reporting on methane emissions in accordance with the EU's future legislation and reduce methane emissions through efficient operations and by systematically repairing methane diffuse emissions. Our operations are guided by the precautionary principles and the principles of due diligence.

# 6 We prepare in advance

## 6.1 Risk management

Our company's risk management and related responsibilities are defined in a separate risk management policy approved by the company's Board of Directors. Risk management is an integral part of business planning and management and day-to-day decision-making. Risks related to the operating environment and strategy are regularly identified, and the most significant risks are reported to the Board of Directors. The management team of the company is responsible for ensuring that risks have been identified and defined and that appropriate risk monitoring and management measures have been taken in the manner agreed.

Our company pays special attention to occupational safety risks. The identification of safety and environmental risks and opportunities is part of regular operations. Projects carry out appropriate risk assessments according to the size of the project. In the performance of normal operational day-to-day work, quick risk assessments are also conducted before starting work. All these assessments ensure a good identification of hazards and risks and the definition of corrective measures for risks.

## 6.2 Preparing for possible disruptions

We have prepared in advance for disruptions in the gas network under normal conditions, as well as for natural gas supply disruptions under exceptional conditions. Our company aims to help reduce the risks to security of gas supply through a variety of means, including duplication of key and critical components during the design phase, decentralisation of equipment and systems, and use of a sufficient safety distance. Operational measures include maintaining spare capacity, storage of critical spare parts, independence from external consumables, proactive maintenance, off-hours standby, secured emergency telephone network, emergency drills, and continuous monitoring in the central control station.

Our company regularly updates its contingency plan for gas network disruptions under normal conditions and the contingency plan for emergency situations referred to in the Emergency Powers Act. The company also regularly conducts exercises to prepare for possible disruptions.

## 6.3 Systematic and safe processing of information

Information is a key resource in our business operations. Acting as gas transmission system operator with system responsibility in Finland sets special requirements for the operation of our information systems. The objectives of our information management are:

- ensuring the uninterrupted operation of critical IT systems and information networks
- preventing uncontrolled and unauthorised access to information and information systems
- preventing unintended or intended destruction, alteration or leaking of information to external parties
- reducing possible damages and managing possible future exceptional situations.

Ensuring the reliability, integrity and usability of information is important to Gasgrid Finland. Our information management is well planned and based on the systematic use of modern information systems. Information management security is important in the same way as protecting physical assets and employees. We require that our staff comply with security guidelines and follow careful information processing practices and that they have access to the information they need to perform their work. Every employee must report any information security deficiencies or malpractices observed in accordance with the guidelines.

Information security management and monitoring is a continuous chain of events that is realised through technical and administrative solutions. The company's management is responsible for ensuring the continuation of business operations in emergency situations.

Confidential management of market participants' information is important to our company. As system operator, we are obligated to carry out our tasks in relation to natural gas market participants in an equal, independent and non-discriminatory manner.





# 7 Our personnel's values



“People implement the company's strategy in their daily work and represent the company and its reputation.”



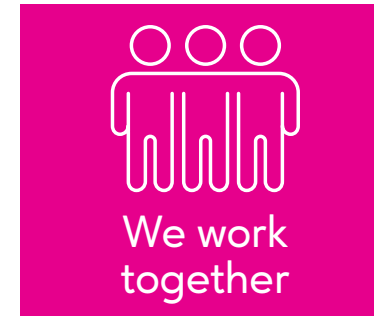
## 7.1 Human resources

Good human resources policy is important to our company because people implement the company's strategy in their daily work and represent the company and its reputation. Our company respects human rights and complies with applicable laws, regulations, and collective agreements. We require appropriate behaviour in all interaction with both our internal and external stakeholders, and we do not accept harassment or discrimination of any kind. Our workplace is drug- and alcohol-free, and we act on the principle of early intervention. Our company wants to be an attractive employer and promote employee well-being.

Employees are managed fairly and purposefully in accordance with good management principles. The skills and competencies of our staff are systematically developed to ensure that employees are adequately qualified in the gas industry. Employees have clear job descriptions and targets set in annual appraisals. The achievement of targets is monitored through appraisals and regular contacts. Employee well-being and health at work and leisure are promoted in cooperation with occupational healthcare.

We work every day to make sure everyone gets home safely after work. We provide every employee with a safe and healthy work environment and modern tools to monitor safety issues. Together with our suppliers, we ensure safety at our common workplace.

## Our company values:



**We work together:** As a team, we take care of each other and let everyone be themselves. We are open and fair, and we have a good spirit of cooperation. We are a reliable partner, and we are easy to approach.



**We build the future:** We are courageous and eager to renew. We want to be a pioneer in change. We invest in development and give space to learning. We operate in a transparent way and treat everyone equally.



**We acknowledge our responsibility:** We understand and know our operating field. We operate in a responsible way, take care of safety, we are efficient and agile. We are proud of our expertise and of our high quality operations. We advance the benefit of the customer and the society.

# 8 Finance, procurement, communications and stakeholder collaboration bring added value to our company

## 8.1 Finance

The financial objective of our company is to generate economic value for the owner. The company efficiently and safely provides services related to the transmission of gas to its customers and thereby also manages society's gas transmission infrastructure in Finland. Our company is also a major taxpayer and regularly reports on its tax footprint. Our reporting complies with the requirements set forth in legislation and official guidelines, as well as the guidelines set by the management of the company. The starting point of the company's management with information is high quality, reliable and anticipatory information. The finance department monitors financial risks and defines corrective measures for them as part of risk management.

## 8.2 Procurement

Our procurement is organised in an efficient, high-quality and systematic manner. Our company tenders out its purchases and, concerning public purchases, adheres to the Finnish Act on Public Procurement in Specific Sectors. Our company carefully identifies and selects partners to prevent risks in advance. Our partners must be financially and qualitatively approved and comply with the responsibility, safety, quality, environmental and energy requirements set by the company. In addition, the company has identified critical suppliers for its operations, whose performance is monitored in accordance with internal practices and through supplier audits.

**“ We manage society's gas transmission infrastructure in Finland.”**

**“The company communicates regularly, openly and understandably to its stakeholders about relevant issues in the operating environment.”**

### 8.3 Communications

The company communicates regularly, openly and understandably to its stakeholders about relevant issues in the operating environment through various channels. Communication is based on the company's strategy, mission, vision and objectives. We aim to promote discussion about gases and their role in the energy sector, as well as about matters relating to the gas market, through the means of communication. In addition, awareness of our company as a pioneer in matters concerning the sector and as an active participant in gas market development is increased through communications. It is an important focus of communications that gases are recognised as a fast and cost-efficient solution toward climate targets and carbon neutrality and that infrastructure is seen as a versatile energy transmission platform in which new technologies and innovations can be utilised. Another important communication objective of our company is to communicate about the safety of the gas pipeline and about the important role of gas transmission infrastructure in society. Internally, the company communicates to its staff about management, values, and practices.

### 8.4 Rules for stakeholder collaboration

A decision in principle of the Finnish government's ownership steering acts as a starting point in the company's influencing work. We commit to the carbon neutrality targets of the Finnish state in our own operations and support the carbon neutrality efforts of society and our customers by all available means by communicating about the role and benefits of gases, as well as of the wider interests of society. Our influencing work is based on the views of the scientific community, on research and on fact-based information. We operate in a reliable, equal, open and impartial manner.

We engage in direct stakeholder collaboration, as well as in collaboration through selected partners. We carefully consider our participation in stakeholder alliances to ensure that the message is in line with our company policy and to the company's benefit. Gasgrid Finland publishes on its website its participation in the activities of various associations and organisations, together with the grounds for them. The company ensures that hospitality is reasonable in the organisation of events and in participation in them. We ask and engage our stakeholders strongly in our company development, in the representation of interests and in communications. We take our stakeholders' views into account extensively in the development of the company's operations and in the development of its communications.





**Gasgrid Finland Oy**

**Kouvola office**

Kie huvantie 189  
45100 Kouvola

**Espoo office**

Keilaranta 19 D  
02150 Espoo

**Imatra office**

Räikköläntie 170  
55100 Imatra

[www.gasgrid.fi](http://www.gasgrid.fi)