

ILMARINEN



**CODE OF  
CONDUCT** en

## INTRODUCTION

As an employment pension insurance company owned by its customers, Ilmarinen safeguards the statutory employee pension cover of more than 1.1 million employees and self-employed persons while also managing the investment assets that cover future pensions.

We comply with applicable laws and regulations in all our operations. In addition, we abide by the human rights determined in the UN's Universal Declaration of Human Rights, which include, among other things, freedom of opinion and religion, equality and non-discrimination. Ilmarinen is politically and religiously independent.

We perform very important and meaningful work. That is why our operations are also guided by our values: responsibility, openness

and succeeding together. Their implementation is assessed in our day-to-day work and in each decision we make.

Ilmarinen's way of operating in compliance with regulations and in accordance with our values is determined in this Code of Conduct. In addition, more detailed company-level and function-specific guidelines have been drawn up to support daily work.

By living up to the Code of Conduct, we ensure that Ilmarinen's operations meet the requirements set for them and earn the trust of our customers and other stakeholders.

The Code of Conduct was approved by Ilmarinen's Board of Directors on 31 May 2018. The Compliance Officer is responsible for maintaining and updating this document.

## WE KNOW OUR CUSTOMERS

We know our customers so that we can offer them the most suitable solutions and services. We treat our customers equally and fairly and we develop our operations with our customers' needs in mind.

In addition, Ilmarinen has drawn up principles that have been approved by the Board of Directors for implementing procedures related to customer due diligence and to preventing money laundering and terrorism funding.

## WE COMPLY WITH GOOD INSURANCE PRACTICE

Ilmarinen complies in its operations with good insurance practice approved by the company's Board of Directors. Our pension and insurance decisions are governed by earnings-related pension legislation, the Finnish Administrative Procedure Act and the application guidelines issued by the Finnish Centre for Pensions.

One of our core operating principles is to issue fair and quick pension decisions. We disclose the grounds of our decisions to the pension applicant in an understandable manner. We treat our customers equally in all of our operations.

## WE INVEST RESPONSIBLY

Ilmarinen invests pension assets responsibly. Responsible investment means that we take into consideration not only

economic aspects, but also environmental, social and governance (ESG) issues in making investment decisions. Sustainability is an integral part of our investment operations.

Our principles are outlined in our responsible investment policy. It is aimed at ensuring that we operate according to Ilmarinen's values.

## WE IDENTIFY AND PREVENT CONFLICTS OF INTEREST

We make sure that conflicts of interest do not influence decision-making at Ilmarinen.

A conflict of interest refers to a situation in which the independence of Ilmarinen's decision-making would be compromised on account of a person involved in making or preparing the decision gaining or seeking to gain a personal advantage. The independence of decision-making can also be compromised when Ilmarinen's representative involved in making the decision has, outside the company, a link to the company constituting the other party to the transaction.

When carrying out transactions, we must apply due diligence to situations in which the independence of decision-making might for some reason be compromised or seem to be compromised. The personal interest of an Ilmarinen employee or a member of one of the company's governing bodies must not influence his or her behaviour at Ilmarinen. The above-mentioned person's employment, governing body membership or representation in a company other than Ilmarinen may also not influence decision-making at Ilmarinen.



Image of Ilmarinen's strategy has been added in January 2020.

A person working at Ilmarinen may not be involved in making a decision concerning a matter or transaction from which he or she gains or seems to gain a personal advantage or an advantage benefiting his or her related parties or an entity represented by him or her.

In order to identify and prevent conflicts of interest, we have drawn up written operating guidelines for various situations and decision-making processes.

**These guidelines include, among other things:**

- Decision-making in related party transactions
- Governing body memberships and secondary occupations
- Sourcing policy
- Anti-bribery principles
- Good insurance practice
- Insider guidelines

In addition, guidelines for managing conflicts of interest have been incorporated into the guidelines concerning pension decision activities and HR administration guidelines.

## WE CO-OPERATE RESPONSIBLY IN THE EARNINGS-RELATED PENSION SECTOR

We take into account the requirements of competition legislation in our operations. However, pension institutions responsible for statutory insurance cover must, according to the regulations concerning them, co-operate as far as required for the equal treatment of the clients of the earnings-related pension system and the implementation of legal protection.

In addition, pension institutions co-operate on matters to be implemented jointly within the earnings-related pension system. In practice, these matters pertain to the essence of the social security role of statutory earnings-related pension insurance.

## WE DO NOT ABUSE INSIDER INFORMATION

Our insider guidelines forbid the abuse of insider information. This absolute ban applies to all persons possessing insider information regardless of where and how this information has been obtained.

If a person has obtained information on a particular security, he or she may not trade the security in question on his or her behalf or on another person's behalf, give any investment advice concerning it nor disclose the information to another person, unless this takes place during the course of the normal performance of work tasks.

In addition, a person possessing insider information must refrain from participating in preparing, processing and making a decision, at Ilmarinen, on a matter concerning the security in question. This does not prevent the person from acting on behalf of Ilmarinen where the insider information concerns Ilmarinen's plans or actions pertaining to the investee and where it is the person's job to participate in preparing the matter or making a decision thereon as a person included in the insider register.

Ilmarinen maintains an insider register required under the Act on Employment Pension Insurance Companies.

## WE TAKE CARE OF DATA PROTECTION AND INFORMATION SECURITY

For the purpose of handling statutory earnings-related pension cover, Ilmarinen maintains and processes confidential information related to private persons and companies. We respect the insurance secret and process confidential information in the manner required by legislation. We safeguard privacy when processing personal data.

We keep our personnel's data protection and information security expertise up to date through regular training and require from our personnel particular care when processing data related to customers and Ilmarinen alike. The importance of data protection and information security is taken into account throughout Ilmarinen's operations and service development.

## WE SOURCE RESPONSIBLY

We base our sourcing on the assessment of needs and apply market conditions that are compatible with fair practice. In order to ensure cost-effectiveness, we also put our acquisitions out to tender in accordance with our sourcing guidelines. We also take environmental matters into consideration in our sourcing activities.

We also expect our suppliers and service providers to commit to similar responsible practices and to comply with good business practice and meet their legal obligations. Our business partners are required, for example, to meet their obligations as an employer as well as their responsibilities as a customer and towards the environment.

## WE CONDEMN BRIBERY IN ANY SHAPE OR FORM

Ilmarinen has drawn up anti-bribery principles to prevent and help detect bribery.

A bribe is considered to be the offering or receiving of any gift, loan, payment, fee or benefit for the purpose of inducing dishonest or illegal activity or breach of trust within the company's business operations.

The abuse of authority or a position in a bid to gain a particular personal advantage is also considered bribery.

We apply the anti-bribery principles in all of our business relations and operations. We also expect our business partners to commit to similar responsible practices.

## WE MAINTAIN EQUALITY AND SAFETY AT THE WORKPLACE

Ilmarinen's employees are the company's most important resource. Ilmarinen is a fair employer and a safe place to

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work. We do not tolerate bullying, harassment or discrimination. As an employer, we follow the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

We maintain a good safety culture through, among other things, up-to-date guidelines and induction programmes that incorporate safety matters.

## WHOM CAN I CONTACT?

Every member of Ilmarinen's personnel has the obligation to be familiar with Ilmarinen's Code of Conduct and the related more detailed guidelines and to comply with them.

If you are uncertain about the contents or interpretation of the Code of Conduct or if you suspect misconduct, contact your supervisor. You can also contact the Compliance Officer, Legal Matters or HR.

You can also use the whistleblowing channel to submit an anonymous report concerning suspected misconduct or money laundering.

Your matter will always be handled confidentially at Ilmarinen, regardless of the channel via which you contacted us. Separate whistleblowing instructions and principles for handling the reports are in place for the whistleblowing channel.

## IF YOU ARE NOT SURE WHETHER A TRANSACTION OR OTHER DECISION IS IN LINE WITH ILMARINEN'S PROCEDURES, ASK YOURSELF:

- 1 Is the transaction or decision permitted by law and regulations?
- 2 Is the transaction compliant with Ilmarinen's Code of Conduct and other guidelines?
- 3 Do I think the transaction is right and carried out independently?
- 4 Does the transaction look acceptable to the outside world?
- 5 Would it be nice to read about the matter in a newspaper or in social media?

If you answer YES to all of the questions, you can go ahead.

If you answer NO to just one question, please contact your supervisor, the Compliance Officer or Legal Matters.