



Nordic Development Fund

# PEOPLE POLICY



## Responsible Function / Department

Legal and Administrative Support (LAS)

## Document version history and review dates

<i>Document name</i>	<i>Adopted by</i>	<i>Adopted on</i>	<i>Entry into force as of</i>	<i>Information classification</i>
People Policy	Board of Directors	8.12.2022	1.1.2023	Public

This Policy shall be reviewed at least every five years.

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NDF is a treaty-based intergovernmental organisation founded by the five Nordic countries – Denmark, Finland, Iceland, Norway, and Sweden. NDF's office is located in the centre of Helsinki, the capital of Finland and this is also the duty station of our staff. NDF's staff consists of nationals from both its member countries and other countries. The working language in NDF is English. As a consequence of NDF's legal status, national laws are not applicable to employment in NDF. There are, however, some defined exceptions with regard to Finland's legislation for taxation, social security and pensions.

## 1. The objective of the NDF People Policy

We recognise that managing our human resources well is key to our success. The objective of this People Policy is to drive good results through good people management with the aim to attract, recruit, develop and retain the best calibre and competencies to match the needs of the organisation. We aim for that staff to be ambassadors for the organisation as an employer throughout the employment cycle and beyond.

The People Policy is aspirational yet realistic. The People Policy is inspirational yet concrete. The People Policy is time resilient yet open for adjustments. Further details for implementation of the Policy are found in guidelines and other documents linked or attached to this Policy<sup>1</sup>.

## 2. Building blocks of the People Policy

To ensure relevance to NDF, the People Policy is aligned with the Strategy of NDF. The agreed Values are the glue that keeps us together. NDF's legal framework for staff forms the basis for good governance and equitable and transparent treatment. The building blocks of Strategy, Values and NDF's legal framework for staff provide the foundation of the NDF Total Rewards Framework. The Total Rewards Framework (TRF) defines the key components of the People Policy.



<sup>1</sup> It is important to note that some of the attached or linked documents are only internally available. As the Policy is aspirational and development to implement the Policy takes place over time, some attachments or information behind links may in the interim be missing.

## 2.1. Strategy

NDF's purpose is the guiding star in our Strategy. Our purpose is to take firm and concrete action with regard to climate change from our unique angle as an international financial institution. We work to support vulnerable societies and individuals affected by climate change. Our operational activities take place in the least developed parts of the world where climate change poses the most severe threats. We work to make the world a better place by co-financing high-impact projects by providing early stage and catalytic financing. We see Nordic leadership – and the Nordic priorities such as gender equity, addressing fragility and focus on the most vulnerable – as a means to bring value to our activities. By joining forces with partners, we leverage our financing and competence to make a difference.

**Our purpose is to advance Nordic leadership in addressing climate change and development challenges through financing, knowledge and partnerships.**

**Together with our strategic partners, we develop, launch and scale high-impact projects to support developing countries and help the most vulnerable people affected by climate change.**

## 2.2. Values

Our belief is that an equitable, inclusive and diverse organisation, where people show each other respect and compassion, provides the foundation for us to have the most positive impact. Our values are guided by this belief, and they steer our decision-making, our day-to-day work, our communication, and our collaboration. To ensure that we live Our Values, they are supported by our agreed wanted behaviours.

### Our Values -

## We Thrive Together and Strive for Excellence to Drive Change



### Thrive Together

The key to great collaboration in the workplace community is transparency, respect and trust.

#### WANTED BEHAVIOURS

- We recognize everyone's input by listening, supporting one another and being open to alternatives.
- We aim to be encouraging and create engagement in our working community.
- We give balanced, clear, constructive and transparent feedback.



### Strive for Excellence

We foster an environment where we learn, innovate, allow mistakes and celebrate success.

#### WANTED BEHAVIOURS

- We are open minded and creative.
- We share knowledge, lessons learned and best practices to achieve high quality.
- We challenge ourselves to constantly learn and improve.



### Drive Change

We make a difference by joining forces with partners to leverage our financing and competence.

#### WANTED BEHAVIOURS

- We focus on solutions and results.
- We prioritize actions where we can add value internally and externally.
- We are open to new partnerships and nurture existing ones.

## 2.3. Staff legal framework

As a treaty-based intergovernmental organisation, NDF has its own comprehensive legal framework for staff. The staff legal framework is based on best international practices and the rule of law, and it is coordinated with the Nordic Investment Bank (NIB) and the Nordic Environment Finance Corporation (NEFCO)<sup>2</sup>. The People Policy and any related implementing documents are an integral part of the staff legal framework.

## 2.4. NDF Total Rewards Framework

The Total Rewards Framework (TRF) is at the core of the People Policy and directs the Policy in practice. The TRF captures the elements that come into play for good people management. These elements go beyond monetary reward to meet expectations of elements such as purposeful work, professional growth and work-life balance. To be a competitive first-rate employer, we commit to the following elements that form the NDF Total Rewards Framework:

- purposeful and interesting work
- enabling environment
- quality leadership
- healthy work-life balance
- opportunities to grow and develop
- fair, equitable and competitive compensation and benefits

### Total Rewards Framework



<sup>2</sup> Also NIB and NEFCO are treaty-based international financing organisations founded by the five Nordic countries. All three organisations have their headquarters in a co-located hub in Helsinki, Finland. NDF, NIB and NEFCO coordinate many administrative activities.

## 3. The components of the Total Rewards Framework

### 3.1. Purposeful and interesting work

NDF is a place to work with others to Drive Change in the nexus of climate and development. At NDF we believe that Nordic priorities such as gender equity, addressing fragility and focus on the most vulnerable are instrumental for the success of our work.

We focus on activities that Drive Change and bring added value for our stakeholders. Each role in NDF, whether operational or support, exists to contribute to our purpose and to enable our activities.

The global climate agenda and the stakeholder dialogue evolve constantly, which is reflected in the activities of NDF. We seek and share knowledge and co-create innovative mechanisms to be in the forefront of driving necessary change. We make relevant information easily accessible and share it efficiently within the working community. We set high goals for our activities and for ourselves and also pay attention to transparency, integrity and accountability. These are elements that make the work of our staff versatile and professionally stimulating.

### 3.2. Enabling environment

Our work culture is built on trust and respect for diversity, ensuring equity, and inclusion of all staff. An engaged and empowered staff that enjoys their work is NDF's most important asset and key for our success. We do our utmost to create an environment enabling us to Thrive Together and to innovate. We learn from our successes but also from our mistakes.

We foster an environment that welcomes all employees into our working community. Our onboarding process<sup>3</sup> ensures that new staff members are familiar with the Strategy, Our Values and the working community.

We foster job autonomy and freedom to act within the job role. We recognise that expert work is often strengthened with flexibility. At the same time, teamwork among colleagues is key for the success of our work. Our hybrid work model defines our way of striking the right balance<sup>4</sup>. To promote these aspects, we nurture respect of and support to colleagues. We encourage everyone to use their voice and commit to creating a safe space for an open and respectful dialogue.

We have no tolerance for any form of harassment, whether in the workplace, during work-related activities or between colleagues outside of the workplace. We encourage everyone to speak up if harassment occurs.

We ensure that everyone has the resources and information needed for the job and that adequate policies, procedures and tools are in place. The design of our office premises takes careful consideration of ergonomics. We have joined the World Wildlife Fund's Green Office program and qualified for its certification.

<sup>3</sup>The onboarding process is internally available on eDoc. <sup>4</sup>The hybrid work model is internally available on eDoc.

### 3.3. Quality leadership

Managers are expected to consistently demonstrate the standards, competencies and behaviours in accordance with Our values.

We are applying elements of transformational leadership. Thereby, our Managers are expected to:

- Be *inspirational motivators*, with a visionary approach in promoting fulfilment of NDF's purpose, and to encourage team spirit and empowerment.
- Provide *intellectual stimulation* by promoting critical thinking, innovation and problem solving to make the organisation even better.
- Apply *individual consideration* and to *show compassion* when advising, coaching or mentoring, as situations and needs vary.

We recognise that leadership skills need to be nurtured and trained. Guided by the elements of transformational leadership and aligned with Our Values, we work towards ensuring that the required management competencies and skills, both technical and behavioural, are in place and the actions are guided by respect for diversity, equity and inclusion of all staff.

Besides formal leadership, we consider good self-leadership skills of all staff to be key for the success of our work.

### 3.4. Work-life balance

Key to a healthy work-life balance is adequate resourcing and workload management, both key responsibilities of NDF Managers.

At NDF, we understand that people need flexibility and energy to be at their best. To promote a healthy work-life balance, we provide flexible working hours for our staff in addition to hybrid work, vacation and various leaves. We have guidelines in place to ensure that the information and application for hybrid work, flextime, vacation, and leaves are transparent and available.

To promote the health of our employees, we support our employees with a comprehensive medical plan.

NDF has a highly active Staff Activity Club in common with NIB and NEFCO, which offers a range of activities to staff.

### 3.5. Opportunities to grow and develop

At NDF, we Strive for Excellence. To successfully carry out our Strategy and fulfil our purpose, we need a mix of talents, skills, experience, and potential for development. The skills, experience and talents pertaining to individual work roles are set out in job descriptions. We ensure that there are equitable opportunities for professional development and growth.

NDF and each staff member have the shared interest and responsibility to ensure that staff member's skills stay relevant amidst changes in the climate and development agenda and in the outside world.

We encourage staff to take an active role in continuously developing their own skills and best potential. We recognise that quality leadership is a prerequisite for driving professional development and growth in the organisation. We consider constructive feedback a gift. The ability to give balanced, clear, constructive and transparent feedback and to receive feedback is part of both good leadership and collegial support.

NDF has a small number of staff, which limits vertical career advancement. Consequently, we use knowledge sharing and teamwork across the organisation to provide opportunities for job enrichment. We promote the staff's endeavours to become thought leaders in specific areas of expertise. We also collaborate with NIB and NEFCO to enhance skills.

Performance management is a continuous process of individual target-setting aligned with NDF's business plan and values, assessing progress, and providing on-going coaching and feedback. It is used to clearly illustrate for the employee what is to be accomplished and how, and to facilitate professional development and progress by, for example, identifying gaps in skills and means to address the gaps.

### 3.6. Compensation and benefits

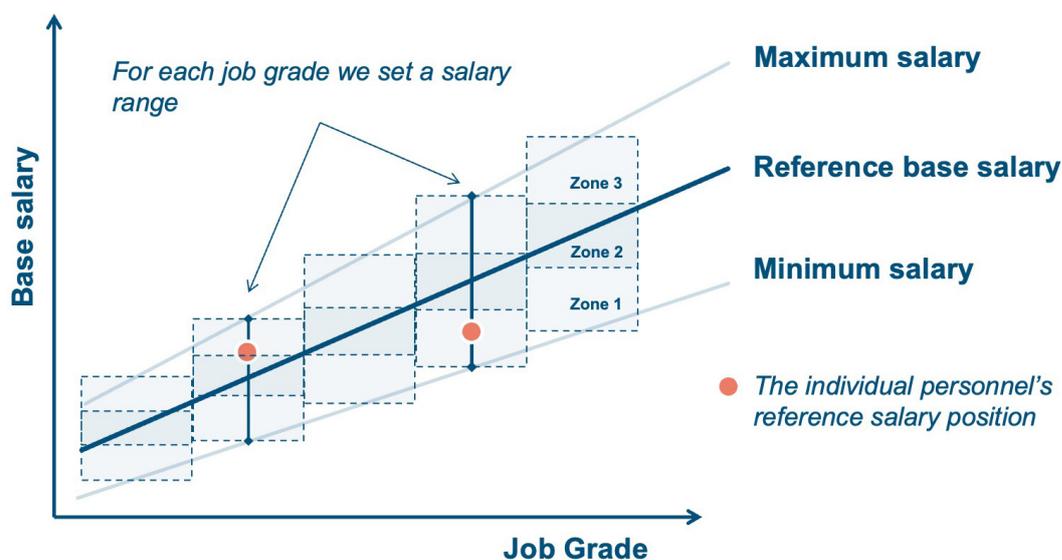
At NDF, we provide monetary compensation and benefits that are externally competitive with local and international peer organisations, and internally fair and equitable. We recognise excellent performance.

The monthly base salary reflects the requirement scope and level of the staff member's job position in the job grading system<sup>5</sup> as well as the job holder's skills and competencies, experience, sustained performance and demonstrated alignment with Our Values.

For each job grade, NDF will set a salary range around the reference base salary to recognise differences in individual performance and competencies.

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<sup>5</sup>NDF's job grading system and salary range are yet to be developed.



Salary adjustment reviews are made annually, based on benchmark data and/or salary market movement/forecast data. Individual salary adjustments are determined fully as a function of the individual's overall performance and evaluated competence. The salary increases reflect the performance and competence level of the individual employee and influences the pace of salary increase.

Performance premium can be paid to a staff member to remunerate excellent and extraordinary performance beyond good performance. Performance premium is granted as a one-time payment on an annual basis and equals up to 50% of one month's base salary.

We strive to have a transparent compensation system, so that all staff members will better understand what influences their own compensation and how their own income can develop.

All our staff are entitled to certain benefits based on length of the contract and/or the staff category.<sup>6</sup>

Supplementary terms and conditions apply in respect to expatriate staff.<sup>7</sup>

Staff benefits are summarised for illustrative purposes in the Annex.<sup>8</sup>

<sup>6</sup> Depending on the position; NDF usually employs staff for either a contract term of two or four years, which can be renewed. In addition, other lengths of contract terms may apply in respect of staff employed as substitutes or for special projects.

<sup>7</sup> Expatriate staff are other than Finnish citizens, who move to Finland for the sole purpose of taking up employment at NDF.

<sup>8</sup> The from time to time prevailing preconditions and details of applicable benefits are found in Staff Rules and other internally available documents.

## 4. Implementation, monitoring of and changes to the Policy

This Policy is complemented by a set of documents setting out further details on its implementation.

NDF's staff engagement surveys, used for measuring the temperature in the organisation will inform NDF about the application of the People Policy, as perceived by staff. This will help us to stay on the right path.

Circumstances are bound to change over time both within the organisation and in the outside world. As a dynamic employer, NDF will adapt to the changed circumstances and update this Policy.

# Annex to People Policy

Benefits and allowances for different employee groups



Nordic Development Fund

## Work- life balance / Wellbeing, health & medical care



Staff with minimum  
4 years' contract term      Staff with minimum  
12 months' contract term

	Staff with minimum 4 years' contract term	Staff with minimum 12 months' contract term
Hybrid working model	x	x
Flexible working hours	x	x
Lunch benefit in canteen	x	x
Extensive occupational health care & medical care, including dental care	x	x
Gym at the premises + weekly gymnastic class at the gym, online training possibility	x	x

## Work- life balance / Wellbeing, health & medical care



Staff with minimum  
4 years' contract term

Staff with minimum  
12 months' contract term

	Staff with minimum 4 years' contract term	Staff with minimum 12 months' contract term
Quarterly wellbeing training sessions	x	x
Wellbeing and Sport and Cultural benefit (after probationary period)	x	x
Possibility to participate in events and trips provided by the Staff Activity Club	x	x
30 days paid vacation per year + 2 days extra off per year	x	x
Possibility to take flexi-days off	x	x
Possibility to rent leisure time cottages	x	x

# Insurance coverage



Staff with minimum  
4 years' contract term

Staff with minimum  
12 months' contract term

	Staff with minimum 4 years' contract term	Staff with minimum 12 months' contract term
Statutory Finnish insurances (i.e. work accident + unemployment insurance, statutory life insurance)	X	X
Supplementary life insurance	X	X
Medical insurance	X	X
Leisure time accident insurance	X	X
Disability insurance	X	
Travel insurance when travelling for business	X	X

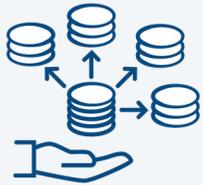
# Social security



Staff with minimum  
4 years' contract term      Staff with minimum  
12 months' contract term

Finnish social security system applies - Entitlement to certain public benefits and allowances related to various forms of family leave, studies, sickness etc.	x	x
Full salary for the first 6 months of family leave (after 12 months' continuous employment)	x	x
Full salary up to six months of sick-leave (subject to some preconditions)	x	

# Pension benefits



Staff with minimum  
4 years' contract term      Staff with minimum  
12 months' contract term

	Staff with minimum 4 years' contract term	Staff with minimum 12 months' contract term
Statutory Finnish pension scheme for public sector applies	x	x
Supplementary pension benefit (defined contribution) from private pension insurance company	x	

## Other benefits



	Staff with minimum 4 years' contract term	Staff with minimum 12 months' contract term
Mobile phone benefit	x	x
Commuting benefit by public transport in Finland to and from work (after probation period)	x	x
Free parking at the office & e-car charging station at a subsidized cost	x	x
Bicycle benefit	x	x
Professional training and development	x	x
Additional holiday pay based on earned vacation days	x	x
Staff Loans (after probationary period)	x	

# Supplementary benefits for expatriate staff and their family members



**Expatriate Staff**  
(In addition to the benefits mentioned above)

Relocation services when moving to Finland	X
Travel insurance (leisure time) for expat and family members	X
Moving in allowance	X
Storage costs for the goods left in the home country	X
Possibility to use tax advisory services	X
Expatriate allowance (15% of base salary)	X
Family allowance	X
Accommodation benefit or accommodation allowance	X
Annual trip home for expat staff and family	X
Preventive medical care (also) for spouse/partner	X
Medical insurance for spouse and children	X
Education benefit for spouse/ partner for professional studies	X
Language training for spouse/ partner	X
Travel and relocation costs when moving away from Finland at end of employment	X