

The Fira logo is positioned in the top left corner of the image. It consists of the word "Fira" in a bold, white, sans-serif font. The background of the entire image is a photograph of a modern, multi-story apartment building with a light-colored facade and dark window frames. The building has several balconies with black railings. A young man with curly hair, wearing a light-colored striped shirt, is standing in the foreground, looking up towards the sky. The sky is blue with some white clouds. The overall composition is a low-angle shot, making the building appear tall and imposing.

# Annual review and sustainability report 2022





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# Fira – a bold innovator in the construction sector

The world is changing, and we believe that the construction sector must change with it. We aim to provide superior service construction focusing on the customer – and the people who actually use the facilities. To serve this purpose, we develop construction and housing solutions that take the environment into account, delight people and help customers exceed their goals. We are a major builder in the Helsinki metropolitan area. Our service areas include residential construction, commercial construction, modernisation, and pipe renovation.





# We can be proud together

2022 was yet another strong year for Fira. We were able to improve our net sales and operating profit in the middle of a challenging and changing market situation. Our order book reached a record high in the autumn, driven by commercial construction in particular.

Our net sales in 2022 were EUR 268.5 (223.8) million, the highest in Fira's history. Our operating profit amounted to EUR 6.7 (6.3) million. Our strategy has proven effective, even in a challenging market situation. Through our systematic work over the long term, we have been able to improve our position, and this is now reflected in our competitiveness in new projects. During the year, the Commercial Construction and Pipe Renovations business lines signed agreements on the largest projects in their history.

In March, the Fira Group was divided into two groups of companies as a result of restructuring. Fira focuses on the construction services business, with a team of more than 300 professionals. Our cooperation with the Flow Technologies Group continues, and we see great potential there in terms of the digitalisation of construction and knowledge-based management.

Global events during the year also affected Finland. The coronavirus pandemic continued, and the Russian attack on Ukraine in February 2022 changed the global situation. The increase in energy prices and interest rates in particular was reflected in households' activities and companies' operations. However, our situation is good: as a modern and agile construction company, Fira has the ability to operate in changing circumstances and create added value for customers. We will continue to invest in resilience.

A more efficient flow of construction is one of the cornerstones of Fira's strategy. With higher financial costs, lead times are increasingly important. We are already using takt production in residential construction and renovation. It will be introduced

gradually in modernisation and commercial construction. To further improve the flow of construction, we established Fira's takt builders' network in 2022. A large number of employees have already made a commitment to the one-year development project.

Sustainability work continued as an important part of our strategy in 2022. During the year, Fira created a sustainability roadmap, which will guide our operations even more closely in the future. Sustainability work requires continuous development across the company, and our goals for the coming years are high. Our successes in 2022 included the lowest accident frequency rate in Fira's history: 8.07 accidents per million hours worked. In addition, our construction and demolition waste recycling rate was 98%, including side streams.

Once again, we owe special thanks to our employees. Fira's personnel are highly motivated professionals, who have been flexible and developed their knowledge and skills. In our personnel survey, the recommendation index (eNPS) was the highest in our history, at +57 (+41 in 2021).

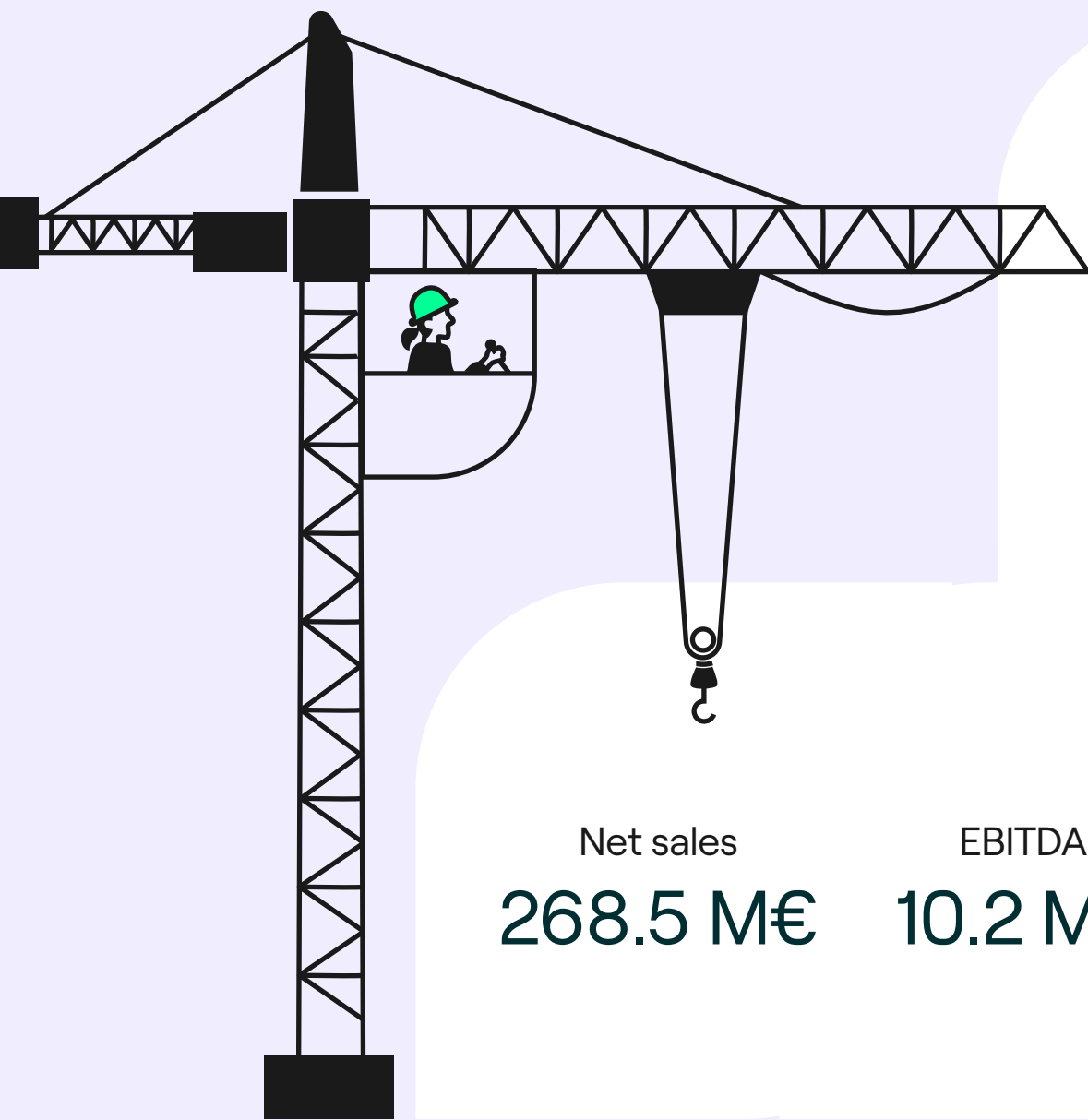
I would also like to extend warm thanks to our customers, shareholders, partners and Board of Directors for a successful 2022. We have achieved a great deal together and created a solid foundation for the future.

**Jari Koivu**  
CEO





# A strong year in many respects

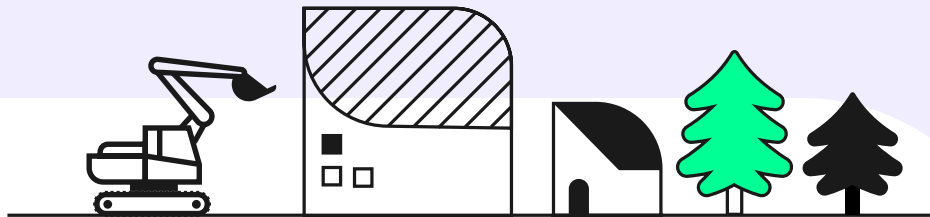
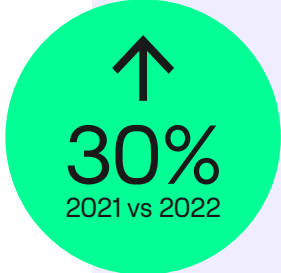


Order book  
(31.12.2022)  
**291.8 M€**

Number of employees  
(at the end of the period)  
**307**

Net gearing  
**-367.5%**

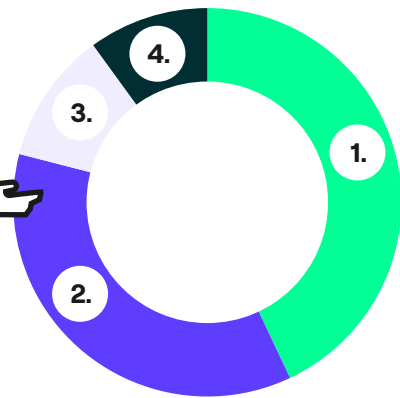
Net sales	EBITDA	Equity ratio
<b>268.5 M€</b>	<b>10.2 M€</b>	<b>28.9%</b>



Construction sites  
during the year  
**49**

Construction and demolition waste  
recycling rate (including side streams)  
**98%**

Accident frequency, own  
personnel and subcontractors  
(nr/million working hours)  
**8.07**



Net sales by business segment, %

1. Residential construction .....	43%
2. Commercial construction .....	36%
3. Modernisation .....	11%
4. Pipe renovations .....	10%



# Key events in 2022

March

As a result of restructuring, the building and technology group Fira was divided into two groups: Fira and [Flow Technologies](#).

May

[Fira entered into an agreement on the largest project](#) in its history. An office building of 20,000 gross square metres, with around 650 parking spots and more than 2,000 gross square metres of commercial facilities on the ground floor, will emerge in the Jokiniemi district of Vantaa.

June

[Fira's first housing library site was completed in Suvela](#), Espoo. Fira's housing library contains standardised solutions for more efficient project development, design, throughput and cost management. The city of Espoo awarded the project with the Hurraa award.

September

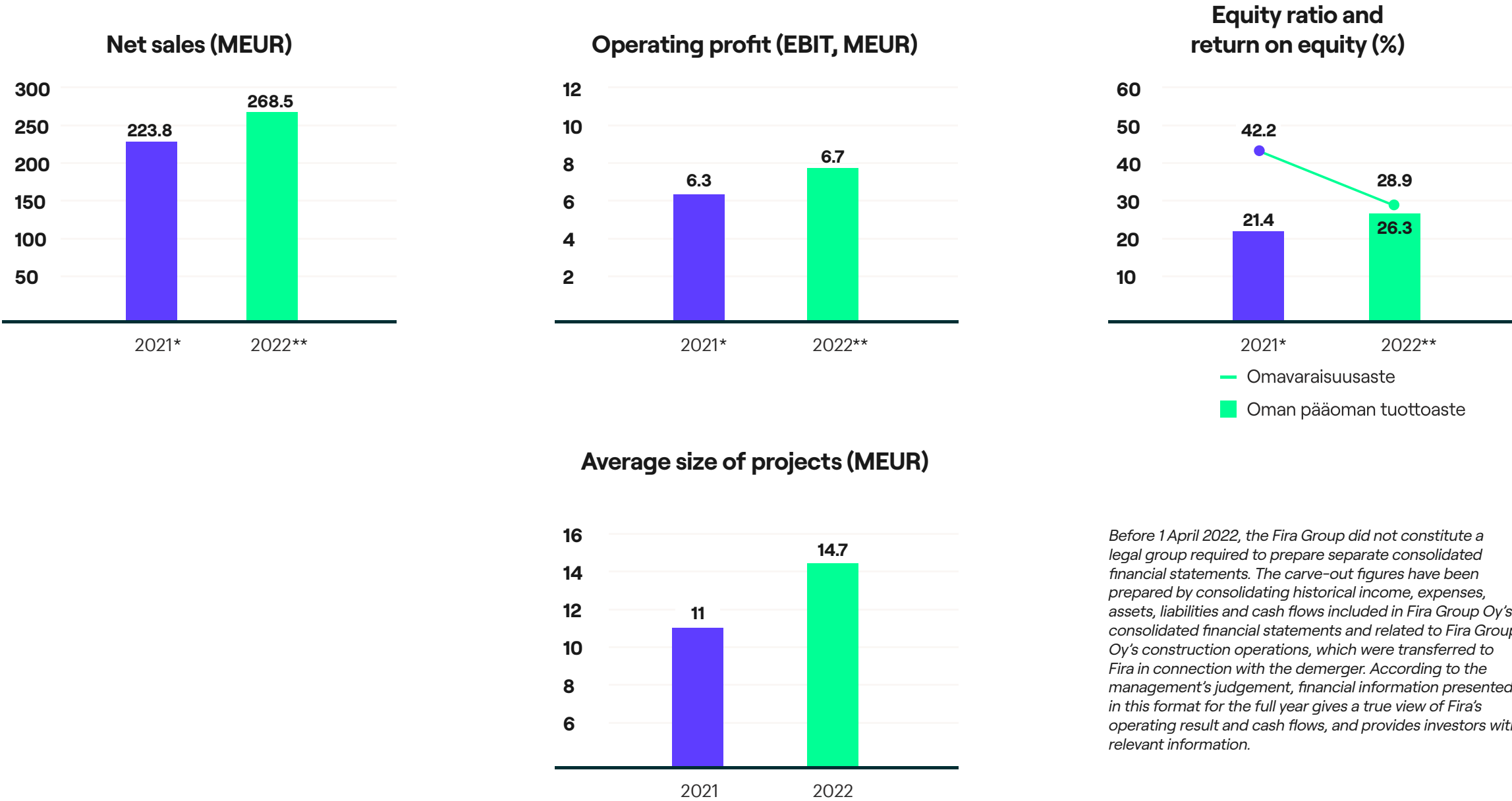
Fira celebrated its 20th anniversary at Kaivohuone in Helsinki. All its employees were present.

November

Employee satisfaction reached a record level. The employee experience was 4.1/5, and the recommendation index (eNPS) was +57.



# Profitable growth



\* Carve-out financial information.

\*\* Combination of actual consolidated information for the period 1 April – 31 December 2022 and carve-out financial information for the period 1 January – 31 March 2022.

Before 1 April 2022, the Fira Group did not constitute a legal group required to prepare separate consolidated financial statements. The carve-out figures have been prepared by consolidating historical income, expenses, assets, liabilities and cash flows included in Fira Group Oy's consolidated financial statements and related to Fira Group Oy's construction operations, which were transferred to Fira in connection with the demerger. According to the management's judgement, financial information presented in this format for the full year gives a true view of Fira's operating result and cash flows, and provides investors with relevant information.



# Key indicators 2022

Indicator	2022 <sup>1</sup>	Carve-out <sup>2</sup> 2021	Change 2022 vs. 2021 (%)
Net sales, EUR million	268.5	223.8	20.0%
EBITDA, EUR million	10.2	9.5	8.1%
Operating profit, EUR million	6.7	6.3	6.9%
Profit for the period, EUR million	5.3	4.9	8.8%
Return on equity, %	26.3	21.4	23.0%
Net gearing, %	-367.5	-146.1	151.5%
Equity ratio, %	28.9	42.2	-31.5%
Cash flow from operating activities, EUR million	19.8	14.1	40.3%
Order book at the end of the period, EUR million	291.8	224.7	29.9%
Number of employees at the end of the period	307	281	9.3%

1) Combination of actual consolidated information for the period 1 April – 31 December 2022 and carve-out financial information for the period 1 January – 31 March 2022.  
2) Carve-out financial information.



# Our strategy

## SUPERIOR CUSTOMER EXPERIENCE

Our construction services create more value and ensure peace of mind for our customers. Working with us is worry-free: we ensure a transparent construction experience from start to finish.



Fira’s B2B customers’ recommendation index (NPS) remained high in 2022, at +52.

We continued to actively measure customer satisfaction and learn from feedback. We also started the auditing and development of customer paths and continued to acknowledge the good customer service provided by our employees on a quarterly basis.

We will continue to focus strongly on creating superior customer experiences in 2023.

## SMOOTH FLOW OF CONSTRUCTION

We have the shortest project and construction lead times in the industry. We use information in our management, as well as takt production, digital tools, standardisation and modularity.



In residential construction, our flow of construction continued to improve at an annual rate of 5% in 2022. We apply takt time construction in our residential construction and pipe renovation business lines. It is being piloted in modernisation and commercial construction.

In the autumn of 2022, Fira started a takt builders’ network, which aims to bring together experts in takt construction, professionals using takt construction in their work and those interested in the takt production logic.

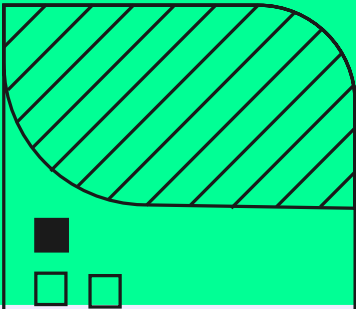
## CARBON-NEUTRAL TOMORROW

We cannot be satisfied with anything less than carbon neutrality. We help our customers reduce their carbon footprint, and we are also reducing our own environmental load step by step.



During the year, Fira created a sustainability roadmap. Our focus areas in environmental responsibility are climate change mitigation and adaptation, developing material and energy efficiency and the circular economy, and mitigating impacts on nature in the value chain.

We carried out carbon footprint calculations in residential and commercial construction.



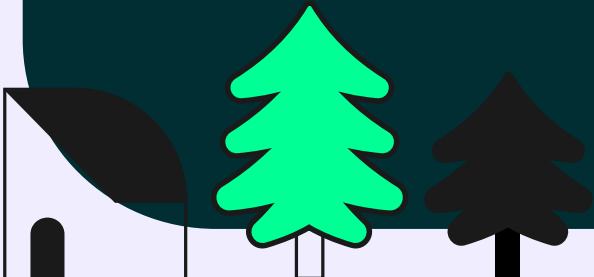
## PEOPLE FIRST

The transformation of the construction industry calls for highly competent and enthusiastic people. Employees’ development, well-being and safety are our top priorities. In our culture, everyone is heard, and we make progress together.



Fira’s employee experience in 2022 was the best in its history. Our employees’ recommendation index (eNPS) was +57, and our employee experience index was 4.1/5.

In 2022, we started the Fira Leadership Academy, a one-year programme focusing on the management of people, business operations and processes. It aims to further develop our management practices and make them the best in the industry through a coaching approach to management.



## PROFITABLE AND CAPITAL-LIGHT GROWTH

Fira’s service-oriented business model is unique, because it ties up hardly any capital.



The purpose of profitable and capital-light growth is to improve Fira’s competitiveness and profitability in the long term. Our goal is to continuously improve the efficiency of our operations, with a light balance sheet structure. This enables our business operations to grow without significant additional capital investment.

We are continuously investing in knowledge-based management and process development, so that we remain agile and are able to adapt to rapidly changing market conditions.

As a result of measures taken in line with our strategy, Fira’s return on equity improved markedly and was 26.3% in 2022.



# Business model

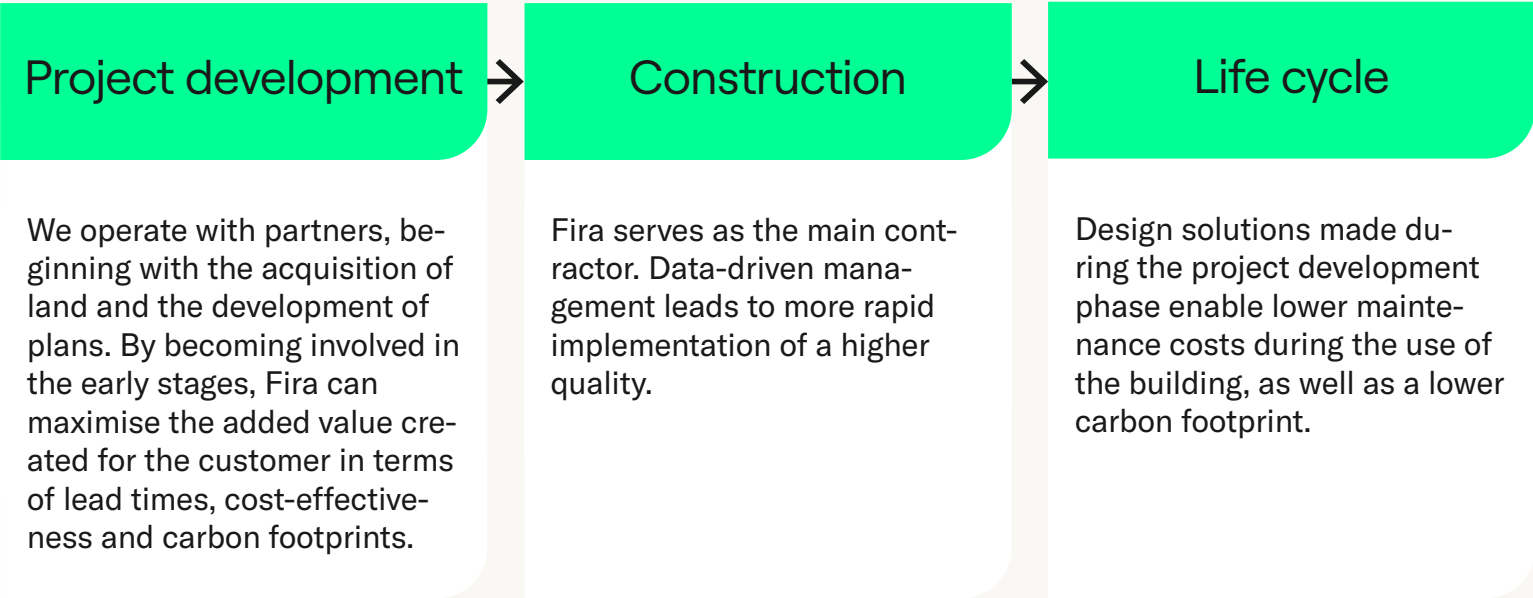
Fira is a construction service company made up of more than 300 experts. Our customers include investment companies, developers, housing companies and consumers. We want to be involved in providing construction as a service, beginning with project development.

Our business model differs from that of traditional construction companies: we focus on the construction service business and on improving the flow of construction, with hardly any need to tie up capital. Our service business development focuses on the customer – and the people who actually use the facilities. A better flow and higher quality of construction are created through interaction between people, digitalisation, standardisation and takt time. Through an improved flow of construction, we provide better quality and business operations for our customers.

Fira aims to be a modern and evolving construction service company focusing on high-quality

project solutions in growing sectors of the construction industry, especially in the Helsinki metropolitan area. Together with our value network, we develop housing and construction services and solutions that take the environment into account, delight users and help customers exceed their goals qualitatively and financially.

## Value creation for customers





# Operating environment

In 2022, major changes took place in the operating environment following the Russian attack on Ukraine. The impacts were widely felt in Finnish society and also affected Fira's operations.

In the construction industry, the war affected material prices, as well as the price of energy, which also accelerated inflation. Interest rates began to increase significantly during the year, with central banks raising their key interest rates. The increase in material costs and the general inflation trend had a negative impact on Fira's performance in the review period, but their impact remained limited.

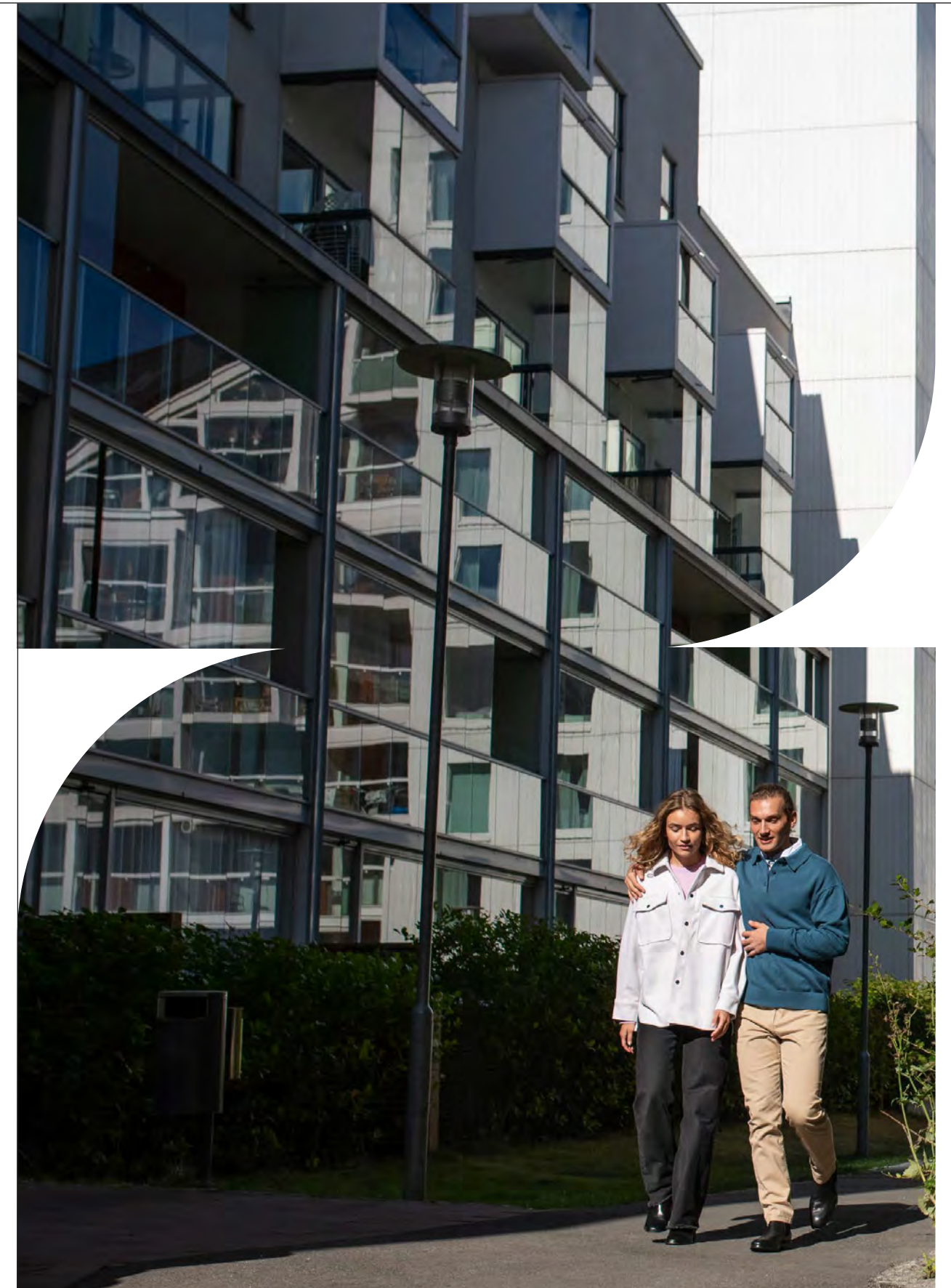
Consumer confidence in the economic outlook weakened considerably. The uncertainty caused by the war, inflation, higher interest rates and the economic downturn significantly reduced consumers' purchasing power, which was reflected in markedly lower housing sales to consumers towards the end of 2022. The long upturn in residential construction seems to have come to an end, at least temporarily.

The coronavirus pandemic continued, but had no significant impact on Fira's business operations. During the year, no construction sites were closed because of infections, and general

meetings of housing companies, for example, were held normally.

According to the construction industry outlook, construction activity will slow down in Finland. However, this trend will be more moderate in the Helsinki metropolitan area. Renovation projects are expected to increase, driven by the green transition and energy-efficiency projects.

The requirements of developers and real estate investors in terms of energy efficiency and lower carbon footprints, for example, are increasing. More and more often, the goal is to secure an environmental rating for buildings, such as the European BREEAM (Building Research Establishment Environmental Assessment Method) and the global LEED (Leadership in Energy and Environmental Design).





# A more rapid flow of construction improves productivity

Fira has continuously developed the flow of construction, with good results. A more efficient flow of construction is the key to better productivity.

Over the past five years, Fira's lead times in residential construction have decreased by 5% per year on average. In the Kivistön Kivitasku 1 project, an apartment building for the eQ housing fund, the goal is to further improve the flow of construction. A more rapid flow of construction enables us to purchase work and materials more efficiently. It's also the key to better productivity.

## UP TO 30% QUICKER FLOW OF CONSTRUCTION

On the Kivistö site, interior construction work is divided into smaller areas than before, in line with a takt production model. The goal is to reduce completion times by up to 30%.

In Kivitasku, the indoor facilities are divided into four-hour areas. Any errors can be detected in time when the focus is on a smaller area and quality checks are carried out every four hours. This makes it possible to improve the flow of pro-

duction and quality management. In other words, a more rapid flow of construction is also beneficial in terms of quality, and the goal is to reduce the number of errors and shortcomings, in addition to improving productivity.

This also minimises material waste. A better flow of construction also calls for more effective conditions management. In Kivitasku, the temperatures and relative humidity are optimised to ensure that castings dry in the planned time, for example.

The housing library developed by Fira for more efficient production is being used in Kivistön Kivitasku. The library is an extensive databank of ready-to-use solutions that have proven to be effective in previous projects. In addition to ready-made layouts, it includes standardised technical main solutions.



Picture: Arkkitehtipalvelu

## FIRA'S RESIDENTIAL CONSTRUCTION IN 2022

- We built 556 apartments in 2022.
- A carbon footprint calculation was carried out for nine sites.
- Our lead times in construction continued to improve at an annual rate of 5%.
- The average number of errors in the handover phase was low, at 0.26 errors per apartment.
- We introduced our first RS site, Postipuis-ton Hehku, which was implemented under the service model. It consists of two limited liability housing companies: As Oy Helsingin Idylli and As Oy Helsingin Eloisa.



# The largest project in Fira's history is emerging in Vantaa

Fira's Commercial Construction business continued to grow strongly in 2022. Thanks to the business line's expertise in parking facilities, logistics centres and learning environments, its order book reached a record high. In May, [Fira signed the largest contract](#) in its 20-year history.

Fira will build a high-quality office complex for Sponda, a real estate investment company. The complex will emerge in a well-connected location in the Jokiniemi district of Vantaa, in the immediate vicinity of the Tikkurila railway station. The landmark building consists of an office building of around 20,000 gross square metres, with around 650 parking spots, and more than 2,000 gross square metres of commercial facilities on the ground floor. The complex will be completed at the turn of 2024 and 2025, and Valmet will be the main tenant of the office facilities.

This is a significant project for Fira. The project draws on our strengths, such as solution development and tried-and-tested standardised concepts in the design of parking facilities. Fira's suggested solution was based on the reference plans, taking the production framework and cost-effectiveness into account. These are key considerations for a functional result that meets the customer's goals.

## ENERGY EFFICIENCY CLASS A AND LEED PLATINUM ENVIRONMENTAL CERTIFICATION

The goals for the office complex are energy efficiency class A and LEED Platinum environmental certification. The building will produce renewable energy for its own use, and its energy efficiency is also enhanced by an environmentally friendly geothermal heating system. Solar panels producing renewable energy will be installed on the roof of the building. In the design of the building, one of the focuses was high indoor air quality, which increases the comfort of the facilities and supports the health of the people working in the building. In the project, Sponda is investing in environmentally sustainable solutions and user comfort, which promote the well-being of the users of the building and the environment.

## FIRA'S COMMERCIAL CONSTRUCTION IN 2022

- Record-high order book, +58% year-on-year
- 13 projects in progress in 2022
- More than 100,000 square metres under construction in logistics centres
- Four parking facilities and four learning environments under construction
- Carbon footprint calculations were carried out in seven projects, and the calculation processes were further developed during the year.



Picture: L Arkkitehdit Oy



# The Hotel Maria – A challenging and ambitious modernisation project

[Fira is modernising](#) a hotel complex for Samla Capital, a real estate investment company. The complex consists of four valuable properties in the Kruununuhaka district of Helsinki. The modernisation of culturally and historically significant buildings and the construction of a luxury hotel constitute an exceptionally ambitious project that requires special expertise.

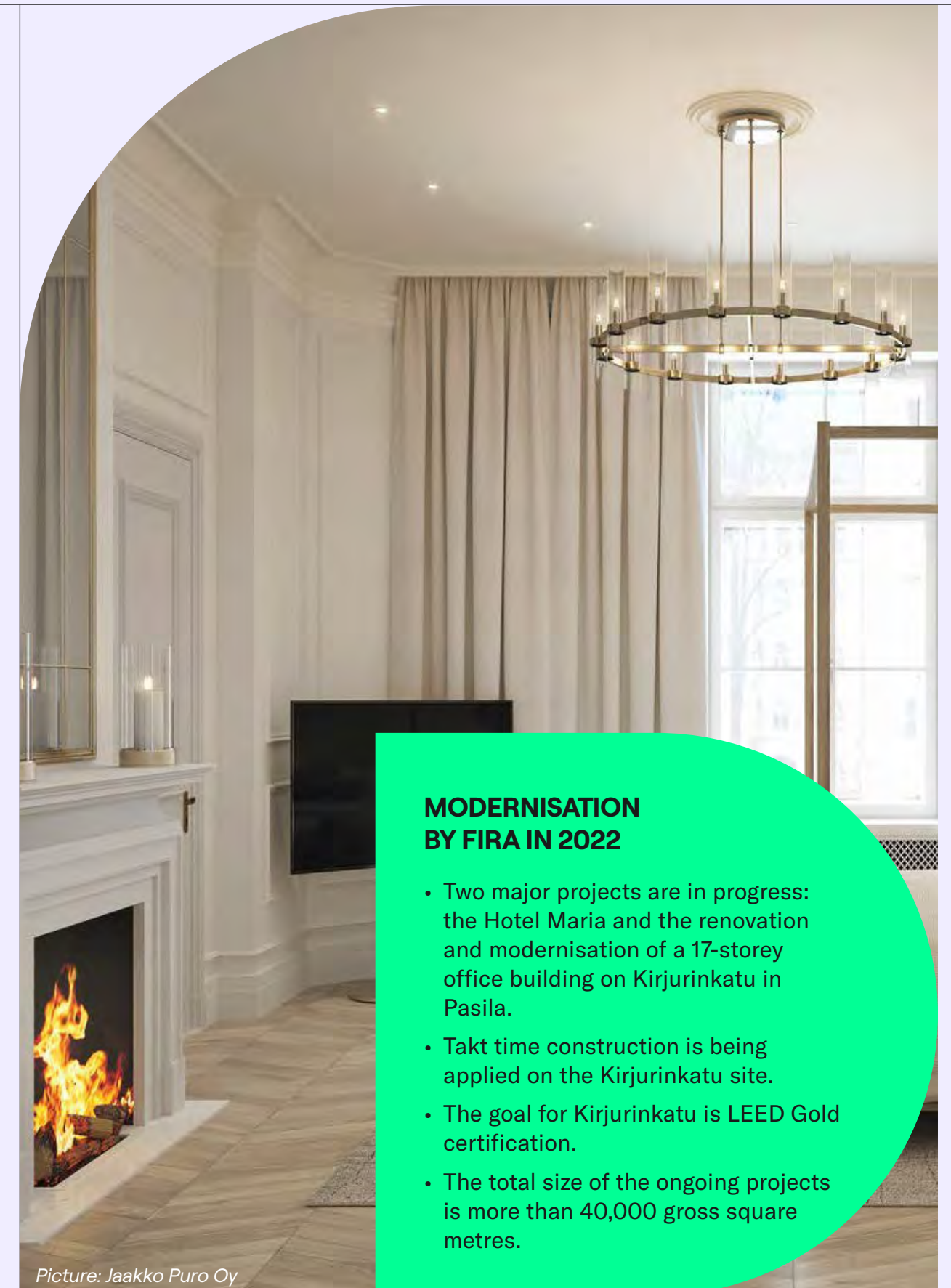
The hotel complex consists of four valuable properties completed between 1885 and 1930. Fira will completely modernise the buildings and is also responsible for the construction and finishing of the hotel's interior. The renovation of the four buildings began in 2022. The total area of the buildings located at the intersection of Liisankatu and Mariankatu is 14,200 square meters.

## **BUILDINGS PROTECTED BY THE FINNISH HERITAGE AGENCY**

Designed by architect Evert E. Lagerspetz, the buildings have housed officers' residential quarters and a government ministry's office, for example. All four buildings are protected by the Finnish Heritage Agency. The modernisation of culturally,

architecturally and historically significant buildings requires special expertise in design, construction and finishing. During the design phase, Fira identified suitable implementation options in accordance with the customer's quality requirements and the cost-effectiveness of construction and operation, among other factors. Attention was also paid to the flow of construction.

In terms of construction engineering, the project is extremely challenging. The buildings involve a wide range of structural solutions typical of different periods, so distinct solutions need to be employed in different parts of the same building. Each room is unique and requires a great deal of design work. A diverse range of concrete, timber and metal structures will be used on the site.



Picture: Jaakko Puro Oy

## **MODERNISATION BY FIRA IN 2022**

- Two major projects are in progress: the Hotel Maria and the renovation and modernisation of a 17-storey office building on Kirjurinkatu in Pasila.
- Takt time construction is being applied on the Kirjurinkatu site.
- The goal for Kirjurinkatu is LEED Gold certification.
- The total size of the ongoing projects is more than 40,000 gross square metres.



# Fira and SATO signed a cooperation agreement on the development and implementation of residential renovation projects

In June 2022, Fira and SATO, one of Finland's leading housing providers, [signed a cooperation agreement](#) to enable the long-term development of residential renovation projects. In addition to apartment renovations, Fira will be responsible for the technical management of project development.

A more efficient flow of construction is one of the cornerstones of Fira's strategy. The cooperation agreement with SATO and the property portfolio create favourable conditions for the implementation of the strategy.

Fira and SATO used different scenarios to find the technically and economically best possible model for the implementation of apartment renovation projects for SATO's rental sites. Fira's cost expertise and library of standard solutions played an important role in optimising the profitability of the investments. Fira's scenario models make it possible to study housing returns, the costs of construction and maintenance, the necessary technical measures and ESG requirements, for example.

## AIMING FOR A MORE RAPID FLOW OF CONSTRUCTION

Continuity also enables the use of industrial construction methods, which significantly increases efficiency in projects. The model of cooperation between Fira and SATO makes it possible to improve the productivity and quality level of renovation projects significantly. The goal is to double the annual rate of residential renovations from 200 to 400 apartments carried out by one repair team.

The first project under the cooperation agreement is currently in progress in the Martinlaakso district of Vantaa. The goal of renovation is also to improve housing comfort and energy efficiency.

## PIPE RENOVATIONS BY FIRA IN 2022

- Pipe renovations were completed in 520 apartments.
- Fira entered into an agreement on the largest pipe renovation project in its history. Construction work in a housing company consisting of 198 apartment and six commercial facilities on Ounasvaarantie in Helsinki started in August.
- Fira entered into a framework agreement with Varma on renovations to improve housing comfort.





Fira

Sustainability report  
2022



# Sustainability at Fira

Responsibility and sustainable development are at the core of our strategy and business operations. Our efficient and environmentally sound solutions help our customers achieve their environmental and carbon neutrality targets, in addition to reducing our own carbon footprint.

By creating jobs and paying taxes, Fira has a positive impact on society. In addition to our 300 employees, we provide work for our partner companies, which have around 1,100 employees working on our construction sites every day.

Our operations have a positive impact on the development of the built environment. We also affect the daily lives and well-being of thousands of people through the homes, schools, daycare centres, office facilities and parking facilities that we build.

We create favourable conditions for companies’ operations by building logistics, storage and production facilities. Modernisation is part of our service portfolio, and we modernise old buildings to meet today’s requirements. We also carry out pipe renovations, in which we ensure high-quality results while also providing good resident service throughout the project.

Construction and buildings burden the environment to a significant extent. To reduce this impact, we are continuously developing our op-

erations. We seek to optimise design and construction and avoid waste and carbon footprint impacts arising from overdesign and overdimensioning. We implement environmentally certified projects and life cycle projects, and reduce the amount of construction waste generated on our construction sites and improve its recycling.

We take care of our employees’ well-being and invest in the safety of everyone working on our construction sites. We also take care of the sustainability of our supply chain.

Sustainability is integrated into each of the five focus areas of Fira’s strategy: a superior service experience, a smooth stream, a carbon-neutral tomorrow, a “people first” approach, and profitable and capital-light growth. We are continuously developing our sustainability and its integration into all our operations. Knowledge-based management and data verification play a key role in this respect.





# Our sustainability programme

Fira's first sustainability programme was prepared in late 2021. Its themes were complemented based on a sustainability roadmap created in 2022.

The themes of our sustainability programme cover environmental responsibility, social responsibility and good governance. Based on the work to create our sustainability roadmap for 2023–2025, we have added two themes to our sustainability programme: mitigation of the value chain's impact on nature, and satisfied customers.

Based on our sustainability programme, we have set more detailed sustainability targets and indicators, which are being developed continuously. These are described in the table starting from page 22.

## OUR SUSTAINABILITY PROGRAMME IS BASED ON OUR STAKEHOLDERS' MATERIAL THEMES

Successful sustainability work requires us to engage in active dialogue with our stakeholders and identify their needs. In 2021, we carried out a stakeholder survey with an expert partner. We received a total of 293 responses from customers, employees, members of the management and the Board of Directors, owners, subcontractors and other partners.

The results show that Fira is regarded as a responsible and customer-oriented leader in the

construction sector. Based on the results, Fira has a good or even excellent reputation.

All the respondent groups agreed that one of Fira's most important tasks is to ensure its subcontractors' and other partners' sustainability. The respondents saw material efficiency, waste recycling and buildings' life-cycle emissions as the most important focuses of environmental responsibility. The survey was followed by workshops for experts and members of the management and the Board of Directors to create Fira's first sustainability programme.

In connection with the work to create the sustainability roadmap in the spring of 2022, we conducted three in-depth customer interviews. We also interviewed the members of Fira's Board and the management of the Commercial Construction business line. The importance of sustainability and transparency in the supply chain was also highlighted in the in-depth interviews. Fira is considered to be an innovative company, and we are expected to provide new circular economy solutions and challenge existing sustainability solutions and offer better ones.

## Sustainability programme themes

Climate change mitigation and adaptation

Well-being at work, a safe and equal workplace and satisfied customers

Profitable business operations and good governance

Developing material and energy efficiency and the circular economy

Sustainable and transparent supply chain

Mitigating impacts on nature in the value chain



# Sustainability highlights 2022

## PEOPLE

Employee  
experience index

**4.1**

(on a scale of 1–5)



We carried out a pay equality study.  
An equality raise was given to

**15** women and **13** men

Accident frequency  
rate, own personnel  
and subcontractors

**8.07**

(number of accidents  
per million hours  
worked)



eNPS  
**+57**

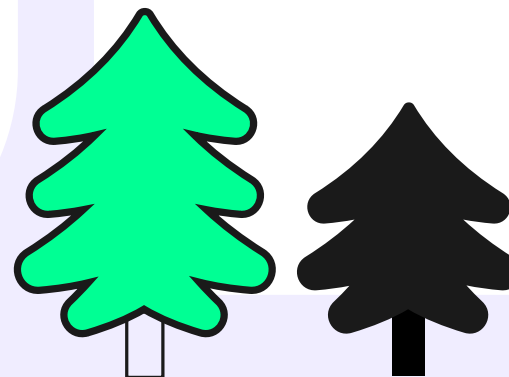
## ENVIRONMENT

We outlined a roadmap to determine our environmental  
responsibility and other focuses towards carbon neutrality.

Recycling rate for  
construction and  
demolition waste

**98%**

(including side streams)



**5**

projects in  
progress aiming  
for environmental  
certification

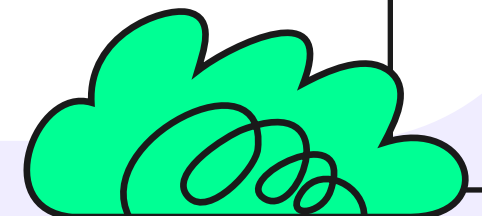


## GOVERNANCE

Completion  
rate of ethical  
coaching

**94%**

Fira has a culture of  
open conversation that  
encourages employees  
to address issues.





# Sustainability management

Our sustainability work is guided by Fira’s strategy, sustainability programme and sustainability roadmap. In our day-to-day work, we put sustainability into practice through process management.

Our sustainability work is guided by Fira’s strategy, sustainability roadmap for 2023–2025 and sustainability programme. Our key sustainability guidelines and principles include the following:

- Code of Conduct
- Fira’s values
- Principles of personnel and occupational safety management, environmental management process
- Environmental management process
- ISO 14001:2015 and RALA certification
- Processes to combat the shadow economy
- Supplier management process
- Supplier register
- Risk management model

Fira’s Board of Directors approves the company’s strategy and monitors its implementation. The members of Fira’s Management Team are responsible for integrating sustainability into business

operations and key processes in their areas of responsibility. One of our key goals for 2022 was to ensure that our sustainability targets are reflected in the business operations’ action plans. We also invested in putting sustainability work into practice through process management.

Fira’s sustainability work is planned, monitored and developed within the sustainability roadmap steering group and the sustainability group, which met four times during the year. The group is chaired by Fira’s CEO. The group consists of the business management and function representatives of key functions related to the environment, procurement, financial management, customer relationships, communications and people, for example. In addition to monitoring the progress of sustainability work, the group shares current information and best practices related to sustainability.

We measure the implementation of environmental management and the environmental process in construction project operations by using the

maturity model. In each project, the project operations are assessed in relation to Fira’s operating model. We regularly provide project employees with training on the operating model. We are continuously developing and improving the environmental process, as well as providing centralised support and training for projects to carry out environmental management in line with Fira’s operating model. In 2022, we further specified the environmental management process and the frequency of the assessment of its implementation by business line.

Fira has published an annual sustainability report on its operations since 2021. The 2021 and 2022 reports have been prepared with reference to the GRI (Global Reporting Initiative) standards, as applicable. The reports have not been verified. Fira’s communication team is responsible for sustainability reporting. In late 2022, we started preparing for the EU’s forthcoming Corporate Sustainability Reporting Directive (CSRD) by carrying out a GRI GAP analysis of our 2021 sustainability report.







# Stakeholder cooperation

We respond to the expectations of our stakeholders – including employees, customers, owners, partners and society – through open dialogue, cooperation and reliable communication.

We seek to provide our stakeholders with transparent and reliable information about our operations. As an innovative pioneer in the construction industry, we are actively involved in the development of the entire sector.

Fira is a member of the Confederation of Finnish Construction Industries (RT), which safeguards the business, technical and labour market interests of construction companies. Fira has representatives in the confederation’s safety, legal and communications groups.

Fira is also involved in the Building2030 consortium, which consists of Aalto University and more than 20 construction companies. The consortium is creating a future vision of the construction industry. Fira participates in the operations of the consortium’s managing director, development and communications groups.

Fira is a member of the Green Building Council Finland (FIGBC) and is involved in its taxonomy working group and various committees. Fira is also involved in the RAIN3 consortium, which develops lean operating models for the construction industry.

Stakeholder group	Expectations of Fira	How we respond to expectations	Interaction and communication
Personnel	Well-being, safety, motivating pay, development opportunities, equality, good management	Continuous improvement of occupational safety, remuneration, employees’ reward fund, trainings, supporting job rotations	Supervisory work and teamwork, TALK discussions, personnel surveys, personnel briefings, intranet and the Orientation Day event
Customers	Customer insight and solutions that serve customers’ needs, transparency, reliable operations and outcomes of a high quality, good service	Interaction and listening, a smooth and high-quality flow of construction, good customer service, solid expertise and tried-and-tested standardised solutions, housing library	Personal meetings, site meetings and bulletins, situation picture, newsletters, customer satisfaction surveys and feedback, website
Owners	A stable and predictable financial result, profitability, higher enterprise value, sustainable operations, good management	Board work, annual and sustainability reporting	Annual General Meeting, Board meetings, shareholder meetings, annual and sustainability reporting, website
Partners	Long-term partnerships, smooth co-operation, open dialogue, compliance with agreements	Professional procurement, continuous development of the supplier cooperation, the supplier register and the centralisation of procurement	Competitive bidding, negotiations, agreements and guidelines, newsletters, website
Society	Sustainable and lawful operations, prevention of the shadow economy, provision of employment, tax revenues, reliable and transparent communication	Contribution to urban and regional development, responsibility and sustainable development targets and measures	Cooperation and dialogue with municipalities, taking into account the areas surrounding construction sites (dialogue, bulletins)



# Sustainability targets and KPIs

Sustainability focus	Indicator	Target level	Outcome 2022	Outcome 2021
<div>Environmental responsibility</div> <div>Sustainability programme theme</div> <div>Climate change mitigation and adaptation</div> <div>Developing material and energy efficiency and the circular economy</div> <div>Mitigating impacts on nature in the value chain</div>	Environmental management on construction sites			
	Compliance with the environmental management process: maturity model	Project-/line-specific, 80–85% on average	Average 81.4%	Average 80.4%
	Environmental observations		1,094 Number of observations	571 Number of observations
	Reducing the carbon footprint			
	Number of housing library sites with carbon dioxide calculations		9	12
	Sites with environmental classification/certification in progress during the year		5	1
	Developing material efficiency and the circular economy			
	Recycling rate for construction and demolition waste (including side streams)	70%	98%	–
	Recycling rate for construction and demolition waste (excluding side streams)	70%	62%	66.5%





Sustainability focus	Indicator	Target level	Outcome 2022	Outcome 2021
Social responsibility	Employee satisfaction and well-being at work			
	The employee experience		4.1/5	4.0/5
	Employees’ recommendation index (eNPS)		+57	41
	Quality of supervisory work: “My immediate supervisor treats everyone in a respectful and fair manner”		4.6/5	4.5/5
	Health percentage (employees with no sickness absences during the year)		62%	77%
	Number of sickness absences (days per person per year)		3.8	2.6
	Induction training for new employees	100%	100%	100%
	Development discussions held	100%	95%	95%
	Support for job rotation: new job title		15	14
	Employee turnover		7%	13%
Sustainability programme theme	Customer satisfaction			
	B2B customers’ recommendation index (NPS)		+52	61
	Ease and effortlessness experienced by B2B customers		4.3	4.3
	B2C pipe renovation customers’ recommendation index (NPS)		29	22
	Safety at work			
	Accident frequency rate (number of accidents per million hours worked), own personnel and subcontractors	less than 10	8,07	11,85
	Number of fatal accidents	0	0	0
	Number of serious accidents (absence of more than 30 days)	0	1	4
	Number of near misses		24	12
	Number of lost-time accidents		17	23
Well-being at work, a safe and equal workplace and satisfied customers	Number of safety observations	2 observations per construction site per week	Target achieved (3,106 pcs)	Target achieved (2,365 pcs)
	TR occupational safety measurements performed	1 measurement per construction site per week	Target achieved (1,069 pcs)	Target achieved (902 pcs)
	Average score of TR measurements on Fira’s construction sites	95 %	96.5%	95.3%



Sustainability focus	Indicator	Target level	Outcome 2022	Outcome 2021
<div>Good governance and financial responsibility</div> <div>Sustainability programme theme</div> <div>Sustainable and transparent supply chain</div> <div>Profitable business operations and good governance</div>	Ethical operations			
	Completion rate of ethical coaching	100%	94%	91%
	Number of reports filed through the whistleblowing channel		1	0
	Combating the shadow economy			
	Proportion of pre-selected suppliers of the annual procurement volume		90.7%	89.5%
	Benefits for society			
	Net sales generated for the partner network through purchases made by Fira (EUR 1,000)		231,343	204,132
	Wages and salaries to employees, including indirect personnel expenses (EUR 1,000)		28,076	25,587
	Income taxes paid for the financial year (EUR 1,000)		1,876	1,239



# We save the environment by designing and building efficiently

The environmental load of construction can be reduced significantly through good design and smooth implementation. When buildings and facilities are designed efficiently, taking their users' needs into account, they withstand time, and their environmental load is smaller throughout their life cycles.

Waste caused by overdesign and overdimensioning significantly increases the cost and carbon footprint of construction. The service offering of Fira's Commercial Construction business line includes solution development, which provides the customer with the most optimal option to implement their construction project, in terms of both cost-effectiveness and the carbon footprint.

In Residential Construction, our goal has been to reduce lead times by 5% annually, and we have succeeded in this. At the same time, the number of errors and deficiencies has decreased, and is at a record low (0.26 errors per apartment in the handover phase in 2022). Modernisation and Pipe Renovation have also achieved good results in lead times.

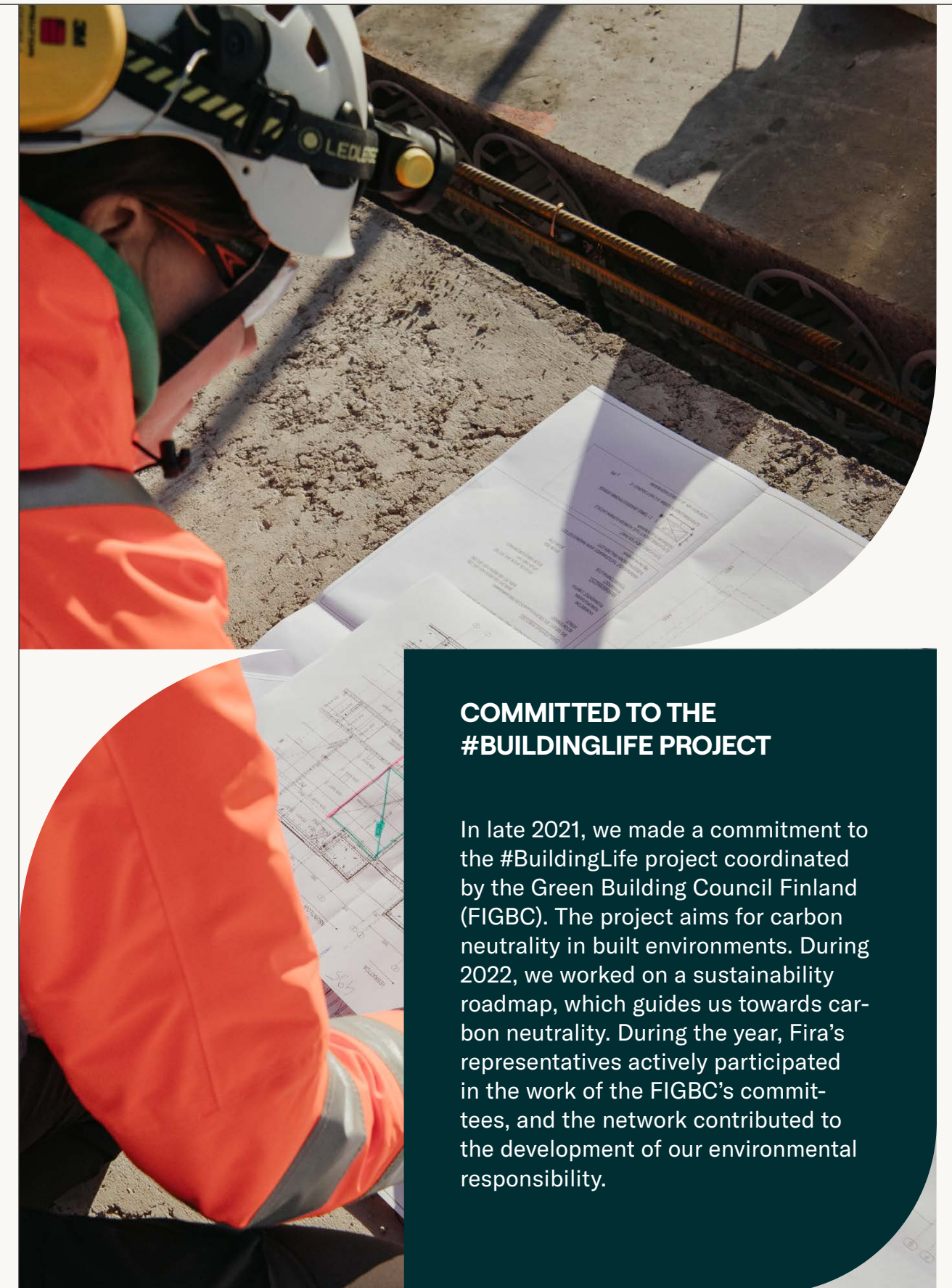
## ROADMAP TOWARDS CARBON-FREE CONSTRUCTION

In 2022, we outlined Fira's sustainability roadmap, which focuses on climate change mitigation and adaptation, material efficiency, the development of the circular economy and the man-

agement of the nature impact in the value chain. These are our priorities in environmental responsibility.

In the near future, we will focus on climate change mitigation in particular, and will develop our operations towards carbon neutrality. Our means include starting emissions calculations and setting emission reduction goals, for example. We also continue to develop our material and energy efficiency.

With the roadmap in place, we decided to start building our emissions calculations in 2023. We will identify the sources of our key direct and indirect emissions, so that we can set targets for reducing emissions. We will also study and determine the limits and scope of our emissions calculations. In addition, we will create a low-carbon construction site concept. One of our key goals is to set a time limit for achieving carbon neutrality in our construction operations.



## COMMITTED TO THE #BUILDINGLIFE PROJECT

In late 2021, we made a commitment to the #BuildingLife project coordinated by the Green Building Council Finland (FIGBC). The project aims for carbon neutrality in built environments. During 2022, we worked on a sustainability roadmap, which guides us towards carbon neutrality. During the year, Fira's representatives actively participated in the work of the FIGBC's committees, and the network contributed to the development of our environmental responsibility.



WE EXPANDED OUR CARBON FOOTPRINT CALCULATION

During the year, we calculated the carbon footprint of nine residential sites (12 residential sites in 2021). In total, we have calculated the carbon footprint of 30 residential sites. We use the Ministry of the Environment’s calculation method.

We expanded our carbon footprint calculation into commercial construction, where we tested the OneClick software for life-cycle assessment in construction. During the year, the software was tested in seven commercial construction projects, and we are planning to expand its use in the coming years.

ENERGY EFFICIENCY THROUGH ENVIRONMENTAL RATINGS

During 2022, Fira had five projects in progress that aimed for environmental certification.

We are implementing sites that require an environmental classification system such as LEED, BREEAM, RTS or Well. The classification system serves as a tool for measuring, verifying and comparing the environmental performance of buildings. Through ratings, the building’s performance based on the operating environment can be proven transparently, taking the building’s life-cycle requirements into account. We are capable of considering environmental certification requirements during the project development phase so that the project runs smoothly and cost-effectively.

Our second life-cycle project will start in early summer 2023, when the construction of the [Rykmentinpuisto campus](#) in Tuusula begins. The project will be carried out in cooperation with Caverion, a building systems company. We are aiming for a four-star RTS environmental rating

for the site, and the building will use renewable energy. In the previous year, Fira started its first life-cycle project, the Myllypuro Campus of Helsinki Vocational College and Adult Institute (Stadin AO), where Fira is responsible for the design and construction of the building, while Caverion provides the building systems and will be responsible for their maintenance for 20 years.

A VERY HIGH RATE OF RECYCLING CONSTRUCTION AND DEMOLITION WASTE

Reducing construction and demolition waste and improving the recycling rate play a key role in our environmental work. Reduced waste and sorting are cost-effective and save the environment.

Wood, metal, mixed and energy waste, as well as pallets, plasterboard, aggregates, cardboard and plastic (LD-PE film), are sorted on Fira’s construction sites. An environmental plan is prepared for all our new construction sites. The plan also covers waste management.

In 2022, Fira’s target rate for recycling construction and demolition waste on construction sites was 70%. We exceeded this target: our actual recycling rate was 98 %. The high rate reflects the large volume of aggregate demolition waste in an individual project. Excluding this impact, the recycling rate is 62%. We cooperated with Fira’s management, environmental responsibility development group, construction sites and recycling group on improving recycling. We also introduced a system for collecting side streams for recycling. The system enables us to report the recycling of various fractions and other materials even better than before.

Our cooperation with Remeo, our waste management partner, continued in 2022. Remeo provides our construction sites with valuable support and guidance for more efficient waste management.





For example, Fira’s employees can complete Remeo’s environmental training in Fira’s own system. Remeo’s new recycling plant, which promotes the circular economy, provides improved opportunities for the efficient recycling and further processing of waste, as well as for increasing the recycling rate.

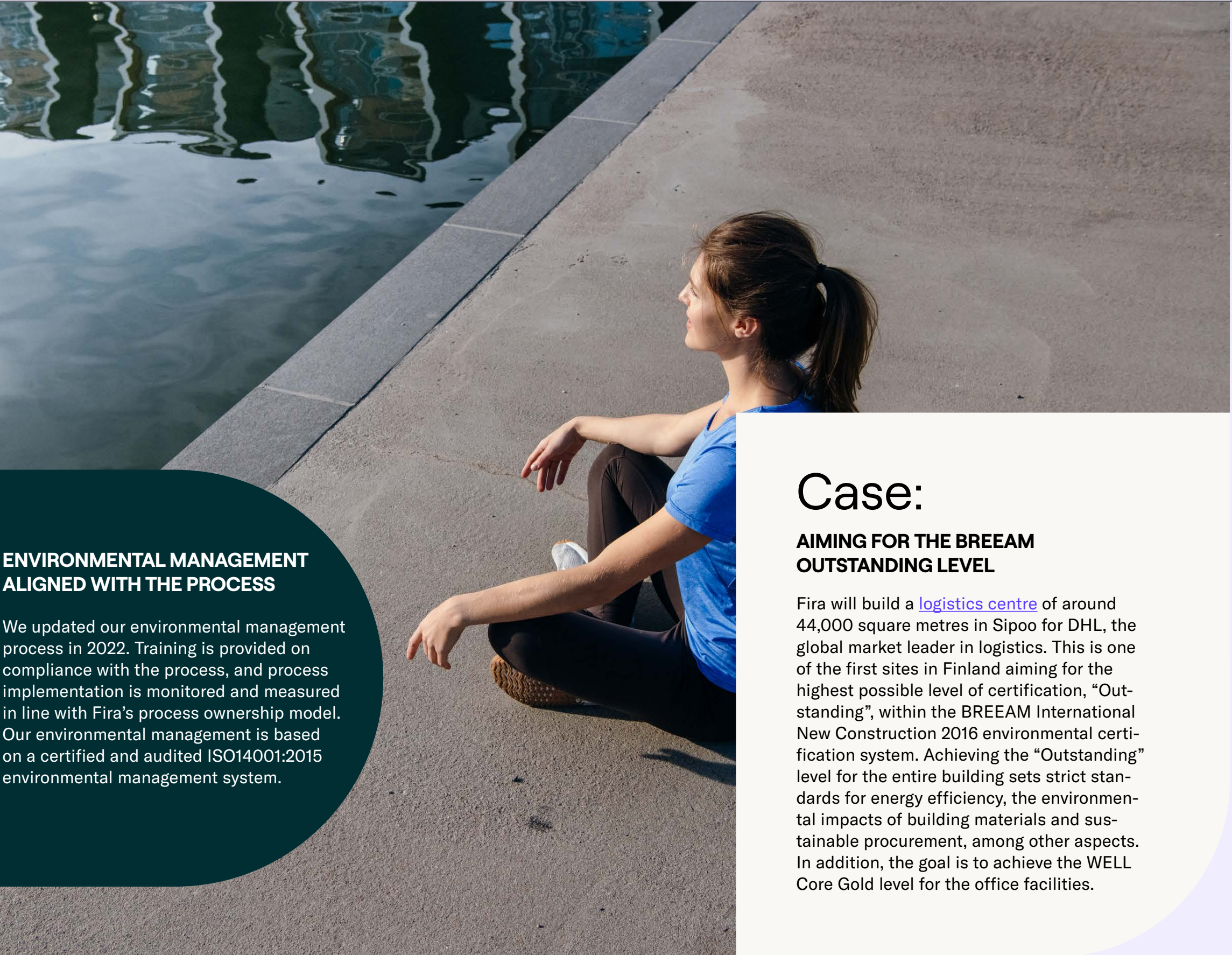
During the year, in cooperation with Remeo, we also produced contract-specific recycling guidelines, which enable us to better align contractors’ operations with Fira’s goals. In addition, we improved the efficiency of the reuse of materials between construction sites, particularly in terms of wood material.

ENVIRONMENTAL CONSIDERATIONS IN OUR SUPPLY CHAIN

A responsible and transparent supply chain is one of Fira’s material sustainability themes. Expanding environmental thinking to cover the supply chain and product life cycles enables us to develop our own and our partners’ operations.

During 2022, we completed our green procurement guidelines, which support environmental responsibility in our purchases. Our construction sites also have a practical procurement manual, which provides more detailed guidelines on taking the environmental responsibility targets of the project into account as part the procurement process.

We have a pre-selection process in place to ensure the eligibility of potential new suppliers. We only work with suppliers that meet the statutory requirements and Fira’s ethical requirements and have a sustainable financial footing. We continuously monitor suppliers’ and subcontractors’ compliance with their obligations under the Act on the Contractor’s Obligations and Liability when Work is Contracted Out, as well as changes in their credit ratings. This information is kept up to date in our supplier register. The supplier register enables us to make purchases from approved suppliers.



ENVIRONMENTAL MANAGEMENT ALIGNED WITH THE PROCESS

We updated our environmental management process in 2022. Training is provided on compliance with the process, and process implementation is monitored and measured in line with Fira’s process ownership model. Our environmental management is based on a certified and audited ISO14001:2015 environmental management system.

Case:

AIMING FOR THE BREEAM OUTSTANDING LEVEL

Fira will build a [logistics centre](#) of around 44,000 square metres in Sipoo for DHL, the global market leader in logistics. This is one of the first sites in Finland aiming for the highest possible level of certification, “Outstanding”, within the BREEAM International New Construction 2016 environmental certification system. Achieving the “Outstanding” level for the entire building sets strict standards for energy efficiency, the environmental impacts of building materials and sustainable procurement, among other aspects. In addition, the goal is to achieve the WELL Core Gold level for the office facilities.



# Well-being at work and an appreciative culture lay the foundation for excellent customer satisfaction at Fira

People are at the core of our strategy. We strive for the best employee experience on construction sites and in the office. We believe that renewal in the construction sector relies on highly competent and enthusiastic people. An excellent employee experience also lays the foundation for a superior customer experience.

We are boldly seeking new ways of working and invest in people, as value for our customers is created by people. Competence development, well-being and safety are our top priorities. In our culture, everyone is heard, and we make progress together.

Fira’s culture and management are based on distinctive operations – that is, consistent ways of working and high-quality work. This applies to our own employees, as well as the work we do with our partners. We operate professionally in our networks, supported by excellent technological and digital solutions. Through our supervision of work, we indirectly affect the lives of more than 1,000 people on our construction sites every day.

In 2022, we started the Fira Leadership Academy, a one-year programme focusing on the management of people, business operations

and processes. The goal of the programme is to further develop our management practices and make them the best in the industry, and enable data-driven management with a human touch.

**THE BEST EMPLOYEE EXPERIENCE EVER**

We measure employee satisfaction twice a year. In 2022, the response rate in our surveys was X%, and the results were the best in Fira’s history. The employee experience index was 4.1 (4.0 out of 5 in 2021), and the eNPS recommendation index was +57 (+41 in 2021). The positives included a good team spirit and taking pride in work, among other aspects. The development needs included feedback and career development opportunities. During 2023, we will also assess our subcontractors’ work and well-being.



”  
*Fira fosters a culture of caring. We see people as individuals.”*

*Mervi Leikas,  
Chief Human Resources Officer*



Fira’s approach is based on trust, ethical operations and mutual respect. These are fostered through open discussion and listening. We carry out development discussions with all our employees to ensure their well-being and success at work. We care about people, and this is also reflected in our business operations.

We do not tolerate discrimination under any circumstances. We are committed to treating our employees and other stakeholders equally, regardless of religion, gender, belief, nationality, ethnic origin, family relationships, age, political opinions, health or other personal characteristics. We also expect zero tolerance for discrimination from all our partners. Fira’s equality plan is available on the intranet.

AIMING FOR A SUPERIOR CUSTOMER EXPERIENCE

An excellent employee experience lays the foundation for a superior customer experience. Our goal is to create more value for our customers through our construction services. Our approach is unconventional in the traditional construction sector, because our value creation is based on close and open cooperation based on partnerships.

We work to ensure that our customers find cooperation with us to be easy and effortless in projects. We take the client’s and the users’ needs into account in project development and design management, and we regularly monitor customer satisfaction. We work to have the most satisfied users and provide the best results in the market. In projects, we measure overall satisfaction (on a scale of 1–5), ease and effortlessness (1–5) and

the Net Promoter Score (NPS). In 2022, our corporate customers’ NPS was +52 (+61 in 2021).  
A superior customer experience is one of the key priorities of Fira’s strategy, and we are investing strongly in its development in 2023.

HIGH LEVEL OF PAY EQUALITY

In 2022, we conducted [a study on pay equality](#). The study was carried out by an external expert body independent of Fira. The purpose was to identify and address any unexplained differences in salaries. Unexplained salary differences are differences that are not explained by factors such as job difficulty, performance level, experience or location.

The study showed that salaries at Fira are mainly equal. Based on the study, an equality raise was given to 28 people (9% of Fira’s personnel). Of these people, 15 are women and 13 are men. We aim to carry out the study on pay equality every two years.

We work to ensure that our employees benefit from Fira’s success. Since 2020, all our employees have been offered the opportunity to become owners of Fira through a reward fund, and more than a third of our employees are owners of Fira. Through the reward fund, we want to engage our employees and reward them for Fira’s success.

HYBRID WORK IS HERE TO STAY

During the coronavirus pandemic, hybrid work became part of our daily lives. At Fira, depending on their tasks, teams can independently decide where and how they work, provided that their work runs smoothly. During 2022, our employees



” Open feedback in the personnel survey: “Fira puts people first, which is why it stands out so much from other companies. The management knows the employees and is interested in what we have to say.”



participated in developing our offices to ensure that they better meet the requirements of new ways of working.

Coping at work and self-direction are supported at Fira, and are at a very good level. Good supervisory work and preparedness for challenges are key. Coping at work is also supported by an external service that provides Fira's employees with proactive support with a low threshold. Fira has a low number of absences, and the results of health surveys have been at a good level year after year.

Fira offers its employees wider than statutory occupational health care services, and the personnel is also insured with leisure accident insurance.

In the autumn of 2022, the Regional State Administrative Agency carried out a survey on the psychosocial stress of work for supervisors, and Fira's results were excellent. Stress was at a very low level in various areas of work, and factors related to the workplace community and interaction were perceived to be particularly good.

## Fira as a workplace in 2022

- **307** employees, of whom **51%** are on construction sites and **49%** in the office
- Men **82%**, women **18%**
- Almost a third of our personnel are owners of Fira
- Average age: **40** years
- **47** new employees
- **31** trainees
- New tasks for **15** employees through job rotation
- Employee turnover **7%**





# Case:

## PROFESSIONAL COMPETENCES ARE SKILLS FOR BUILDING THE FUTURE

Development and agility are integral to Fira’s culture. This is reflected in our openness to development: we embrace opportunities to learn something new. Competence development at Fira is based on each employee’s interests. For example, employees can broaden their knowledge by attending the Fira Academy, where training is provided by the company’s and third-party experts. Employees are encouraged to learn through job rotation, and 15 employees participate in job rotation each year.

During the year, the Fira Development Academy started a Takt Builders’ Network, within which more than 40 Fira’s employees share their expertise and create a consistent approach to takt construction for different construction lines. The one-year programme also exploits international expertise and lessons learned.





# Taking responsibility for safety

Safety at work is an important part of production on our construction sites and is reflected in everything we do. We use the maturity model to measure the implementation of the safety process on our construction sites. The maturity model is part of our management system. It indicates how effectively the safety process is being implemented in practice.

We take care of the safety of everyone on our construction sites.

In addition to our own employees, around 1,100 external employees work on our construction sites daily.

Each year, the employees on our construction sites represent a total of around 1,400 subcontractors and partner companies.

Our safety work is supported by digital tools. Fira uses digital TR measurements for weekly safety inspections on its construction sites. The average score of TR occupational safety measurements on our construction sites improved by more than 1 percentage point during the year and was 96.5%. Safety is also improved by actively making safety observations. In 2022, a total of 3,106 safety observations were made on Fira’s construction sites (2,365 in 2021).

The accident frequency rate (number of accidents per million hours worked, including own personnel and subcontractors) was 8.07 on Fira’s construction sites in 2022 (11.85 in 2021).

We achieved our target: our accident frequency rate was below 10.

In 2022, a total of 17 lost-time accidents oc-

curred on Fira’s construction sites, including one serious accident (absence of more than 30 days).

We continued our systematic long-term efforts to prevent accidents and strengthen the safety culture. We carried out the management’s safety walks on our construction sites, and active safety training continued after the easing of the coronavirus pandemic. Training related to personnel hoists and load securement, for example, was added to the training portfolio during the year.

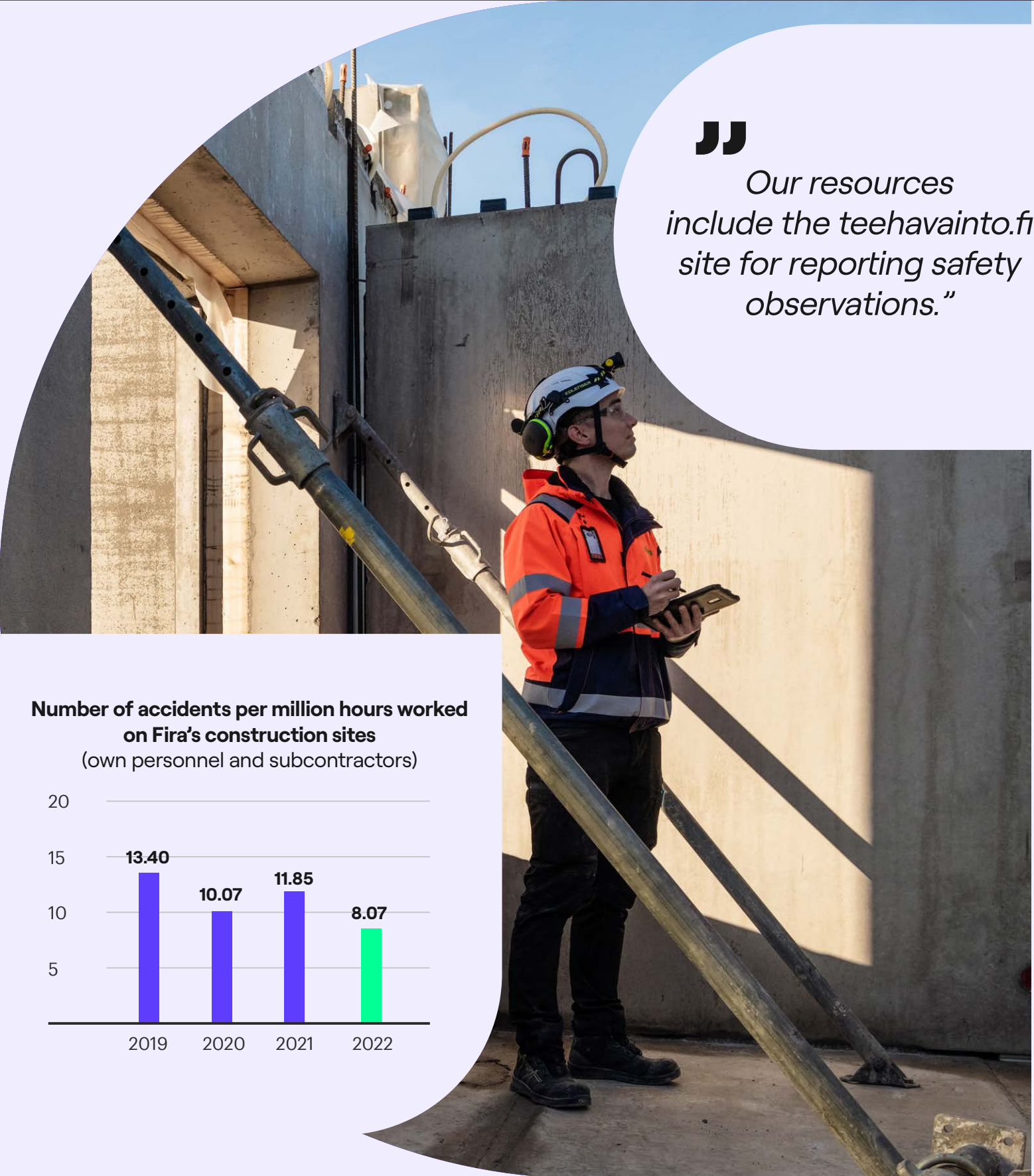
### SAFETY MANAGEMENT AT FIRA

We systematically develop occupational safety management, practices and training. We are committed to the construction industry’s goal of zero accidents. Our safety work is based on the Occupational Safety and Health Act.

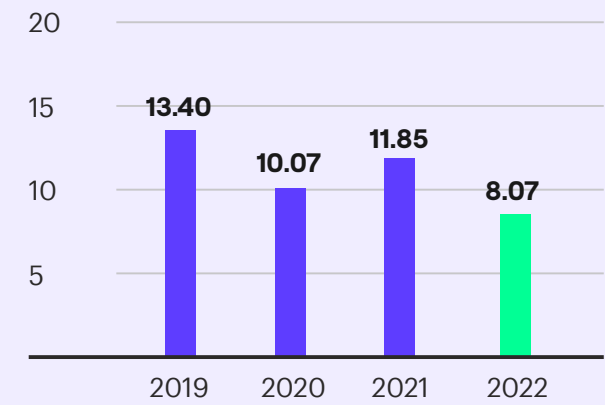
We prepare an annual plan, which includes safety targets, development projects and process support, management and measurement. Safety is developed and measured through internal audits and real-time measurements, for example.

Safety developments are reported monthly to Fira’s Management Team and Board of Directors. The safety manager prepares a monthly safety

” Our resources include the [teehavainto.fi](https://teehavainto.fi) site for reporting safety observations.”



Number of accidents per million hours worked on Fira’s construction sites (own personnel and subcontractors)





report for the management, including accidents, near misses and other current occupational safety issues.

Fira has two experts who focus mainly on safety. Fira also has an occupational health and safety committee and a separate safety development group with representatives from all its construction business operations and procurement. Chaired by the safety manager, the safety development group convenes once a month.

The Construction Quality Association (RALA) audits our processes annually. We have been granted RALA certification, meaning that, based on auditing, Fira’s quality management system meets the requirements of the RALA certification procedure. The criteria cover key safety aspects, among other considerations.

Every year, we organise safety-related campaigns with our partners on our construction sites. The themes of the campaigns are selected in accordance with the number of accidents. In 2022, the themes were hearing protection and noise prevention. The purpose of the campaigns is to increase awareness on construction sites and reduce potential hazards.

THE SAFETY OF EACH SITE IS ASSESSED

Work-related hazards are identified and assessed on each of Fira’s construction sites. A safety plan is prepared for the construction sites, and subcontractors draw up a work safety plan for their own work phases if necessary. Fira’s safety training and induction cover our own employees and our subcontractors’ employees.

Our site managers are experienced construction professionals, and we have clear practices concerning supervisors’ job descriptions and occupational safety responsibilities. Fira’s employees,

including supervisors, are continuously provided with training, and their learning is monitored. In addition to the Occupational Safety Card training, everyone working on Fira’s construction sites completes site-specific safety training. Special training for tasks requiring special expertise is agreed with the supervisor.

We use additional tools to monitor safety at work. These include the teehavainto.fi site for reporting safety observations. It uses the location function on mobile devices to automatically find nearby construction sites. The information contained in safety observations is used to further develop Fira’s safety work, and is processed on construction sites at contractor meetings, for example.

Employees are informed about their obligation to make observations as part of their site induction training. Induction training and work orientation for employees on construction sites are provided by work instructors and supervisors. Site induction training is comprehensive and includes a review of all the relevant risks and safe ways of working.

Our goal is that all employees complete online induction training before arriving at the construction site. The training includes general safety induction. Site-specific induction training is provided on the construction site. Completion is confirmed by means of a form signed by the parties involved. This is followed by an introductory walk on the site.

Fira’s own employees complete comprehensive occupational safety training. Any safety deficiencies on Fira’s construction sites are actively addressed in accordance with a process description, which must be followed.



“  
Developing safety  
is part of day-to-day  
work.”

“  
Our site  
managers are experienced  
construction professionals.”



# Good governance

Strong ethical principles have always been integral to Fira’s ways of working. They are part of our culture and, together with our values, they create a sustainable foundation for all our operations.

Fira’s values are care, trust and transparency. We take responsibility for what we promise and strive for fairness in our operations. It is important to us that Fira can be trusted in all situations. We believe that transparency and openness lay a strong foundation for good cooperation and interaction among our employees and with our customers and partners.

We always comply with laws, regulations and international agreements. We take care of people, and we are committed through our Code of Conduct to respecting the UN Declaration of Human Rights and the International Labour Organization (ILO) Conventions on labour standards. We also require our partners to commit to respecting human rights.

By ensuring good governance and business profitability, we are taking responsibility for our employees, customers, partners and owners. Profitable business operations create value for all our stakeholders, from employees to shareholders.

Fira pays all its taxes in Finland and is committed to compliance with the Finnish tax laws and regulations in its business operations. In 2022, Fira paid EUR 1.9 million in income taxes.

**CODE OF CONDUCT**

Fira’s Code of Conduct is a compilation of the principles we follow in all our cooperation relationships. We updated the Code of Conduct in late 2022, and it is binding on all our personnel. Fira’s employees must complete online training based on the Code of Conduct every year. We revised the training in late 2022, and it was made available to our personnel at the end of November 2022. By the end of the year, 94% of Fira’s personnel had completed the training. At the beginning of 2023, we started preparing our Supplier Code of Conduct.

However, ethical guidelines alone are not enough. A culture of open conversation is also needed that encourages employees to address is-





sues and reflect on them. Our ambition is openness – on the worksite, in the office and in all interaction with our customers and partners.

**PREVENTING THE SHADOW ECONOMY, BRIBERY AND CORRUPTION**

As a construction company, we play an important role in preventing the shadow economy, and our responsibility also covers our cooperation relationships. We always comply with laws and regulations and expect the same from our partners.

In 2022, the employees on our construction sites represented a total of around 1,400 subcontractors and partner companies. We screen contractors based on our supplier register and focus purchases more systematically on reliable and proven partners.

We have introduced online training in preventing the shadow economy for our site personnel. The training provides site personnel with guidance on the selection of contractors and the verification of employee information.

We do not tolerate corruption, bribery or blackmail in our operations. Our Code of Conduct, which is binding on our personnel, also includes guidelines on preventing corruption and bribery. There were no cases of corruption or bribery at Fira in 2022. However, a suspected case of financial misconduct was detected in Fira’s Pipe Renovations business line. The case is beeing investigated by the authorities.

**WHISTLE-BLOWING CHANNEL**

SpeakUp is Fira’s confidential whistle-blowing channel for our personnel, customers, suppliers, partners and other stakeholders to report any deviations or violations. The channel is intended for situations

in which the reporting person feels that they cannot report the issue to their supervisor or contact person at Fira. Misconduct can be reported anonymously through the channel. We encourage our employees and other stakeholders to report any issues, and we ensure that there are no adverse consequences for a person submitting a report. In 2022, one report was filed through Fira’s whistle-blowing channel, and it was processed appropriately.

**ENSURING DATA PROTECTION**

Fira’s data protection policy determines its internally approved data protection principles for processing personal data. Ensuring data protection is part of Fira’s risk management and responsible operating principles. The EU’s General Data Protection Regulation (GDPR) requires that we all have the capability to process personal data appropriately. Each of Fira’s personnel must complete data protection training in an online learning environment.

In November, we participated in the Digital and Population Data Services Agency’s TAISTO exercise to test and develop the organisation’s digital security during simulated disruptions. The exercise focused on control, management and communication during disruptions. Based on the exercise, we improved our crisis communication channels.

”  
*The effectiveness of ethical principles is always measured in action, not talk. Responsibility begins with every one of us.”*

*Jari Koivu, CEO, Fira*





# Governance

Fira’s key guidelines and guiding principles include its Code of Conduct, values, sustainability programme, HR management principles, RALA certification, processes to combat the shadow economy, supplier management process, supplier register and risk management model.

Fira’s governance and management are based on the Finnish Limited Liability Companies Act and Fira’s Articles of Association. Fira is a limited liability company registered in Finland and based in Vantaa. Its main line of business is construction. Its governance is divided between its Annual General Meeting, Board of Directors and CEO. Fira only operates in Finland.

FIRA’S GROUP STRUCTURE

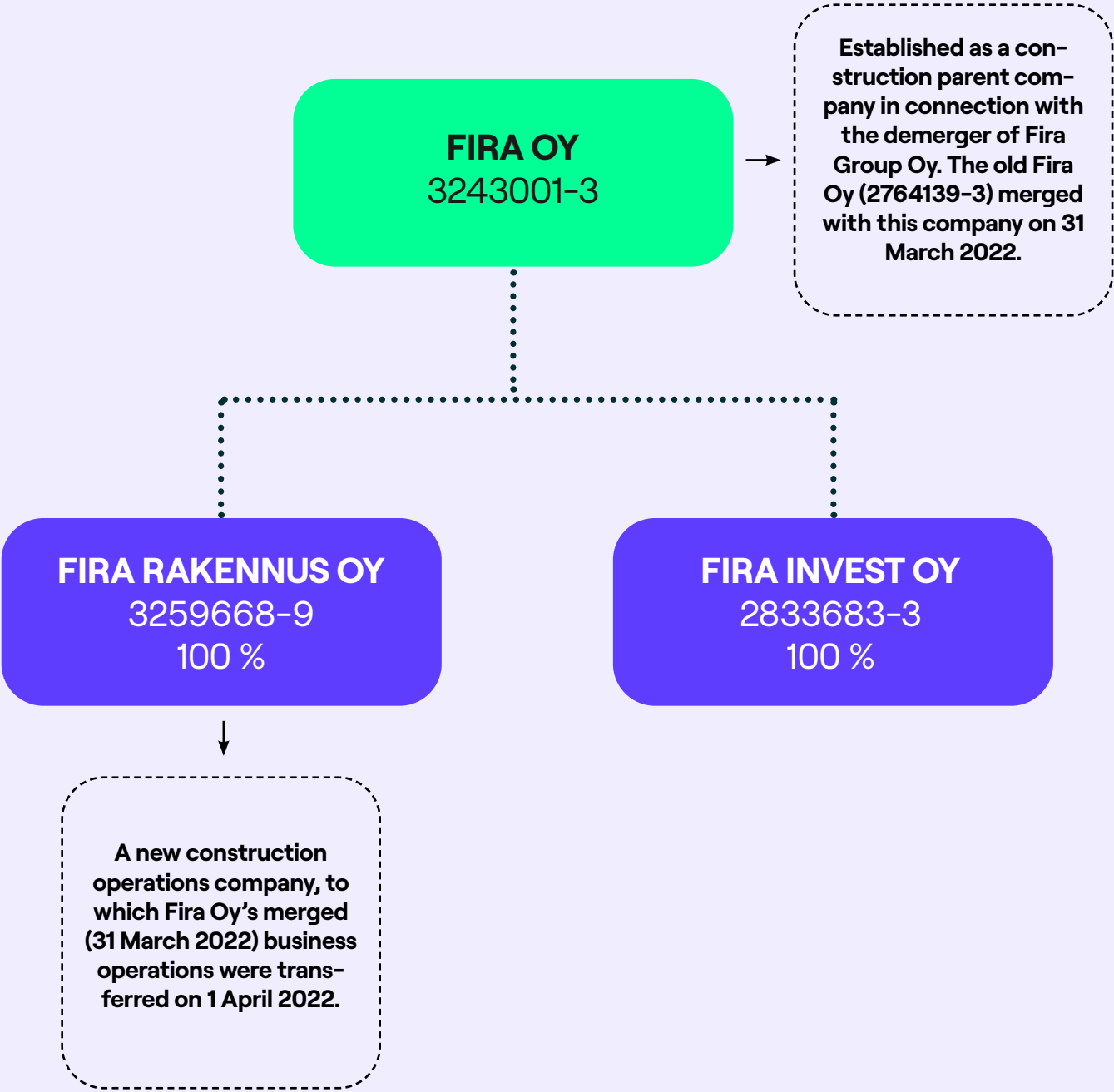
On 31 December 2022, the Fira Group consisted of Fira Oy, which is the parent company of the Group, and its subsidiaries and possible associated companies. The current Fira Group was formed on 31 March 2022 by means of [restructuring](#), through which the Fira Group, a construction and technology group, was divided into two sepa-

rate groups: the Fira Group and the [Flow Technologies Group](#). Following the restructuring, construction business operations were transferred to the new Fira Group. The purpose of the change was to enable Fira to focus on the construction service business and strengthen the role of the [Sitedrive and Flow Module](#) companies as providers of market solutions based on technologies and prefabrication for construction companies. The change in the corporate structure was based on the different nature of the companies’ business operations and customers, as well as their development stages.

FIRA’S OWNERSHIP STRUCTURE

Fira’s principal owners are its founders, key persons and employees. Fira’s largest institutional

## Fira’s group structure





Fira’s ten largest shareholders and their holdings

Name	Total number of shares	Proportion of all shares
Flow Technologies Oy	7,032,462	31.9%
Ilmarinen	2,839,544	12.9%
Antti Sulkunen	1,660,472	7.5%
Jussi Aho	1,474,294	6.7%
Jouko Soidinaho	1,154,000	5.2%
Finnish Industry Investment Ltd	1,000,000	4.5%
Jyrki Latvala	934,364	4.2%
Reijo Nurkkala	916,552	4.2%
Jorma Rantamäki	688,726	3.1%
Otto Alhava	596,150	2.7%
Fira’s reward fund	129,612	0.6%
Other employees	2,101,462	9.5%
Other individual shareholders	1,547,052	7.0%
Total	22,074,690	100%

investors are Ilmarinen Mutual Pension Insurance Company and Tesi (Finnish Industry Investment Ltd). The shareholders have entered into a mutual shareholder agreement.

GENERAL MEETING

The General Meeting is Fira’s highest decision-making body. The Annual General Meeting is held annually within six months of the end of the financial year. Extraordinary General Meetings are held when the Board of Directors deems it necessary or when an Extraordinary General Meeting otherwise has to be held under the Limited Liability Companies Act.

BOARD OF DIRECTORS

The Board of Directors is responsible for the company’s governance and the appropriate organisation of its operations. The Board has drawn up written rules of procedure, which determine its key duties and operating principles. The duties of Fira’s Board include the following:

- Approving the company’s strategy and monitoring its implementation
- Approving the annual budget, which is based on the company’s strategy, and monitoring its implementation
- Approving the dividend policy

- Monitoring risk management and internal control
- Confirming the company’s Code of Conduct and other policies
- Approving the annual review and the financial statements
- Setting and monitoring the CEO’s annual targets
- Appointing and removing the CEO, electing the members of the Management Team and determining their terms of employment and incentive schemes
- Processing other matters that the Chair of the Board, the CEO or the members of the Board have presented to be processed by the Board.

COMPOSITION OF THE BOARD

Fira’s Board of Directors consists of three to five members. The Board is elected annually by the Annual General Meeting for a term ending at the following Annual General Meeting. Established under the shareholder agreement, the Nomination Committee prepares a proposal on the Board’s composition and fees for Fira’s Annual General Meeting. In line with Fira’s shareholder agreement, the committee consists of the Chair of Fira’s Board of Directors, Fira’s CEO, one representative of each institutional investor and a representative of employee shareholders. The committee meets as necessary.

The Board’s composition must reflect the requirements of the company’s operations and the development stage of the company. The Board members must have the necessary qualifications for their duties, and they must be able to allocate sufficient time to taking care of their duties. The number of Board members and the composition of the Board must enable the effective performance of the Board’s duties. Both genders must be represented on the Board. The criteria for diversity include the Board members’ experience in the company’s strategic industries, education, age and gender.





The Board elects a Chair from among its members and assesses the independence of its members. On 31 December 2022, Fira’s Board of Directors consisted of Matti Schultz (Chair), Jussi Aho, Tuuli Kaskinen, Tero Luoma and Antti Savilampi.

BOARD COMMITTEES

The Board has a Personnel and Remuneration Committee and an Audit Committee. The Board elects from among its members at least two members for each committee, one of whom will serve as the chairperson. The Board also confirms the committees’ rules of procedure. Both committees meet at least four times a year. The committees do not have independent decision-making powers. They serve as preparatory bodies, and the matters processed by the committees are presented to the Board to decide on.

The Personnel and Remuneration Committee prepares matters related to the appointment and remuneration of the senior management for the Board. The committee prepares the Group’s remuneration principles and short- and long-term incentive schemes and monitors their performance and implementation. In 2022, the committee consisted of Tuuli Kaskinen (Chair) and Jussi Aho. In addition, CEO Jari Koivu, Chief Human Resources Officer Mervi Leikas attended its meetings.

The Audit Committee is responsible for reviewing the company’s financial statements and annual report and monitoring its risk management and internal control, as well as cooperation

on auditing. In 2022, the committee consisted of Tero Luoma (Chair) and Matti Schultz. In addition, CEO Jari Koivu, CFO Perttu Piilo and Group Controller Miikka Hämäläinen attended the committee meetings.

CEO

The CEO carries out operational business with the assistance of the Management Team. The Board of Directors appoints Fira’s CEO and determines their terms of employment, which are recorded in their written CEO agreement. The CEO is responsible for implementing the targets, plans, guidelines and objectives set by the Board.

Jari Koivu served as Fira’s CEO in 2022. Jari Koivu, MSc (Tech), was born in 1961. He joined Fira in 2012.

MANAGEMENT TEAM

Supporting the CEO, the Management Team is responsible for the development of the Group and its business operations, as well as its operating activities, in line with the targets set by the Board of Directors and the CEO. The Management Team determines operating principles and procedures in accordance with the guidelines issued by the Board. On 31 December 2022, Fira’s Management Team consisted of Jari Koivu, Perttu Piilo, Topi Laine, Henri Mämmi, Mika Lindvall, Sami Kokkonen, Mikko Anttila, Lauri Kaunisvirta and Mervi Leikas.





AUDITING

Fira’s financial reporting is prepared in accordance with the International Financial Reporting Standards (IFRS), the Finnish Accounting Act and the guidelines and statements issued by the Accounting Board. Statutory auditing includes the accounting and financial statements for the financial year, as well as an administrative audit.

On 17 March 2022, the Annual General Meeting elected PricewaterhouseCoopers Finland (PwC) as the company’s auditor. The auditor has designated Jukka Karinen, APA, as its principal auditor. PwC has served as Fira’s auditor since 2020.

RISK MANAGEMENT

Fira’s key risk management principle is continuous, systematic and preventive action to identify risks, determine the level of risk accepted by the company, assess and process risks, and manage any materialised risks effectively so that the company achieves its strategic and financial targets. Risk management is part of the Group’s management, monitoring and reporting systems. In addition to risk identification and assessment, risk management covers the related risk management measures, as well as the reporting of risks to the management and the Board of Directors.

Risk identification is based on Fira’s strategic and operational targets. Risk assessments are updated quarterly in the company’s risk management system, and risks are reported quarterly to the management and the Board of Directors. The probability of materialised risks and the ensuing impacts are assessed on a scale of 1 to 5 as defined in the company’s risk management principles.

Fira’s Board of Directors is responsible for confirming the company’s risk management principles and assessing the adequacy and appropriateness of risk management. The CEO is responsible for the Group’s risk management and its organisation and for providing resources for risk management and reviewing the risk management principles. The Group’s Management Team is responsible for the implementation of risk management and the monitoring and assessment of risks, and for the measures related to risks.

Operational, financial, strategic and loss risks, as well as the measures taken to manage risks, are reported to the Management Team regularly. Risk reports are processed by the Board and the Group’s Management Team. Key risks and risk management measures are reported annually in the company’s annual review.



” Fira’s key risk management principle is continuous, systematic and preventive action to identify risks, determine the level of risk.”



**Matti Schultz,**

b. 1946, MSc (Tech),  
Senior Advisor, Fira.

He has served as Chair of Fira's Board of Directors since 1 April 2022 and as Fira Oy's Senior Advisor since 1.4.2022.

**Jussi Aho,**

b. 1968, MSc (Tech),  
CEO of Flow Technologies Oy.

He has served as a member of Fira's Board of Directors since 1 April 2022 and as the CEO of Fira Group Oy from 2009 to 2022.

**Tuuli Kaskinen,**

b. 1978, MSc (Econ),  
CEO, Climate Leadership Coalition.

She has served as a member of Fira's Board of Directors since 1 April 2022 and as a member of Fira Group Oy's Board from 2017 to 2022.

**Tero Luoma,**

b.1983, MSc (Econ),  
CEO, Ensto Invest Oy.

He has served as a member of Fira's Board of Directors since 1 April 2022 and as a member of Fira Group Oy's Board from 2019 to 2022.

**Antti Savilampi,**

b.1977, MSc (Tech),  
Chief Investment Officer, Antilooppi.

He has served as a member of Fira's Board since 1 April 2022.



*Jussi Aho (left), Tuuli Kaskinen, Tero Luoma, Matti Schultz, Antti Savilampi.*





*Topi Laine (left), Henri Mämmi, Sami Kokkonen, Mikko Anttila, Mervi Leikas, Lauri Kaunisvirta, Jari Koivu, Perttu Piilo, Mika Lindvall.*





**Jari Koivu**, MSc (Tech), b. 1961, has served as Fira’s CEO since 2019. He served as Production Director at Fira from 2012 to 2019. He held various positions at Skanska Talonrakennus Oy between 2001 and 2012 and at YIT Oyj between 1994 and 2001.

**Perttu Piilo**, MSc (Econ), b. 1975, has served as Fira’s CFO since 2022. He served as Fira’s Head of Business Control from 2017 to 2020. Piilo served as the CFO of Nordic Waterproofing Oy from 2020 to 2021 and as the CFO of Aro Systems Oy from 2009 to 2012. Before that, he held various financial management positions at Empower Oy and Daxtum Oy.

**Topi Laine**, MSc (Tech), b. 1983, has served as Fira’s Director of Residential Construction since 2019. He served as Fira’s CEO from 2017 to 2019, Business Director from 2016 to 2017, Accounting Manager from 2015 to 2017 and Site and Project Manager from 2010 to 2015.

**Henri Mämmi**, MSc (Tech), b. 1976, has served as Fira’s Director of Commercial Construction since 2019. He served as a regional manager at Lehto Group Oy from 2017 to 2021, as the Deputy CEO of Hartela Etelä-Suomi Oy from 2013 to 2017, and at NCC from 2000 to 2012, most recently as Unit Director.

**Mika Lindvall**, MSc (Tech), b. 1974, has served as Fira’s Director of Modernisation since 2021. He worked for Aalto University Campus & Real Estate (ACRE) from 2014 to 2021 and for Skanska Talonrakennus Oy from 1999 to 2014.

**Sami Kokkonen**, MSc (Tech), b. 1979, has served as Fira’s Director of Pipe Renovations since 2019. He served as the CEO of Fira Palvelut Oy from 2010 to 2019. Kokkonen served as Director of Field Operations at Empower Oy from 2007 to 2010 and as Production Manager at Daxtum Oy from 2004 to 2007.

**Lauri Kaunisvirta**, MSc (Tech), b. 1985, has served as Fira’s Director of Customer Relations and Sales since 2019. He served as Fira’s Project Development Manager from 2017 to 2018 and Project Development Business Lead from 2016 to 2017.

**Mikko Anttila**, MSc (Agr & For), b. 1979, has served as Fira’s CPO since 2019. He worked for Skanska Talonrakennus Oy from 2011 to 2019 and for Bauhaus & Co. Ky from 2007 to 2011.

**Mervi Leikas**, Diploma in Business Administration, b. 1968, has served as Fira’s Chief Human Resources Officer since 2018. She previously worked as an entrepreneur and business management coach and as HR and Development Director at Manpower Group.



# About this sustainability report

FIRA IN BRIEF

Fira is a construction service company. Our mission is to be a bold innovator in the construction sector. The world is changing, and we believe that the construction sector must change with it. We aim to provide superior service construction focusing on the customer and the people who actually use the facilities. To serve this purpose, we develop construction and housing solutions that take the environment into account, delight people and help customers exceed their goals.

We are a major builder in the Helsinki metropolitan area. Our service areas include residential construction, commercial construction, modernisation and pipe renovation. Our company’s head office is located in Vantaa.

REPORTING PRINCIPLES

Our sustainability work is guided by Fira’s strategy, sustainability roadmap for 2023–2025 and sustainability programme. The purpose of sustainability reporting is to describe our value creation and provide our stakeholders with transparent and reliable information about the impacts of our operations.

Fira prepares a sustainability report annually and develops its sustainability reporting to meet the requirements of the European Union’s Corporate Sustainability Reporting Directive. This is Fira’s second sustainability report, and it concerns

the period between 1 January and 31 December 2022. The report has been prepared with reference to the Global Reporting Initiative (GRI) standards. The reported standards in the GRI index are not fully compliant with the GRI guidelines, as the development of processes and reporting is in progress. Previously reported data has not been adjusted.

Fira’s sustainability report covers the parent company, Fira Oy, and its subsidiaries. The environmental key figures are based on information obtained from the company’s systems and service providers. The social key figures are based on information from HR systems. The financial information is based on Fira’s accounting and confirmed financial statements. The reported information is presented at Group level, unless otherwise specified.

The sustainability report was published on 23 March 2023. More information about the sustainability report is available from the person in charge of sustainability reporting at Fira: [kukka.eerola@fira.fi](mailto:kukka.eerola@fira.fi)

*Before 1 April 2022, the Fira Group did not constitute a legal group required to prepare separate consolidated financial statements. The carve-out figures have been prepared by consolidating historical income, expenses, assets, liabilities and cash flows included in Fira Group Oy’s consolidated financial statements and related to Fira Group Oy’s construction operations, which were transferred to Fira in connection with the demerger. According to the management’s judgement, financial information presented in this format for the full year gives a true view of Fira’s operating result and cash flows, and provides investors with relevant information.*





# GRI content index

GRI 1: The GRI 2021 standards served as the framework for the Fira Group’s disclosures for the reporting period 1 January to 31 December 2022.

Code	GRI content	Location	Additional information
GRI 2: General Disclosures 2021			
Organizational profile			
2-1	Organizational details	p. <a href="#">30</a> , <a href="#">36</a> , <a href="#">43</a>	
2-2	Entities included in the organization’s sustainability reporting	p. <a href="#">43</a>	
2-3	Reporting period, frequency and contact point	p. <a href="#">33</a> , <a href="#">37</a> , <a href="#">43</a>	
2-4	Restatements of information	p. <a href="#">43</a>	
2-5	External assurance		The report has not been externally verified.
Activities and workers			
2-6	Activities, value chain and other business relationships	p. <a href="#">17</a> , <a href="#">26</a> , <a href="#">27</a> , <a href="#">32</a> , <a href="#">36</a>	
2-7	Employees	p. <a href="#">30</a>	
2-8	Workers who are not employees	p. <a href="#">17</a>	
Governance			
2-9	Governance structure and composition	p. <a href="#">36</a> , <a href="#">37</a> , <a href="#">38</a> , <a href="#">40</a> , <a href="#">41</a> , <a href="#">42</a>	
2-10	Nomination and selection of the highest governance body	p. <a href="#">37</a> , <a href="#">38</a>	
2-20	Nomination and selection of the highest governance body	p. <a href="#">38</a>	





Strategy, policies and practices			
2-22	Statement on sustainable development strategy	<a href="#">p. 4</a>	
2-23	Policy commitments	p. <a href="#">20</a>	
2-24	Embedding policy commitments	p. <a href="#">18</a> , <a href="#">34</a>	
2-26	Mechanisms for seeking advice and raising concerns	p. <a href="#">24</a> , <a href="#">35</a>	
2-27	Compliance with laws and regulations		No sanctions.
2-28	Membership associations	p. <a href="#">21</a>	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	p. <a href="#">21</a>	
2-30	Collective bargaining agreements		100% of Fira's personnel are covered by collective bargaining agreements
GRI 3: Material Topics 2022*			
3-1	Process to determine material topics	p. <a href="#">18</a>	
3-2	List of material topics	p. <a href="#">18</a> , <a href="#">22</a> , <a href="#">23</a> , <a href="#">24</a>	
3-3	Management of material topics	p. <a href="#">34</a>	
Economic standards			
GRI 201: Economic Performance 2016			
GRI 205: Anti-corruption 2016			
205-2	Communication and training about anti-corruption policies and procedures	p. <a href="#">24</a> , <a href="#">35</a>	
205-3	Confirmed incidents of corruption and actions taken	p. <a href="#">35</a>	
GRI 206: Anti-competition behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		Fira did not have any pending lawsuits related to violations of competition law regulations.
GRI 207: Tax 2019			
207-1	Approach to tax	p. <a href="#">34</a>	
207-4	Taxes paid	p. <a href="#">24</a>	

Environmental factors have been identified as material topics, but are not yet reported through the GRI standards. Environmental indicators in the table [p. 22](#).





Social standards			
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	p. <a href="#">30</a>	
GRI 402: Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes		Fira complies with the notice periods of the YT Act and collective agreements
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	p. <a href="#">32</a> , <a href="#">33</a>	
403-2	Hazard identification, risk assessment, and incident investigation	p. <a href="#">33</a>	
403-4	Worker participation, consultation, and communication on occupational health and safety	p. <a href="#">32</a> , <a href="#">33</a>	
403-5	Worker training on occupational health and safety	p. <a href="#">32</a>	
403-6	Promotion of worker health	p. <a href="#">30</a>	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. <a href="#">32</a> , <a href="#">33</a>	
403-8	Workers covered by an occupational health and safety management system		100 %
403-9	Work-related injuries	p. <a href="#">32</a>	
GRI 404: Training and Education 2016			
404-2	Programs for upgrading employee skills and transition assistance programs	p. <a href="#">27</a> , <a href="#">31</a>	
404-3	Percentage of employees receiving regular performance and career development reviews	p. <a href="#">23</a>	
GRI 405: Monimuotoisuus ja yhtäläiset mahdollisuudet 2016			
405-1	Diversity of governance bodies and employees	p. <a href="#">30</a>	
405-2	Ratio of basic salary and remuneration of women to men	p. <a href="#">29</a>	
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken		No incidents.



Fira



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

