



**Kela<sup>®</sup>**

# **Kela's strategic sustainability policy**

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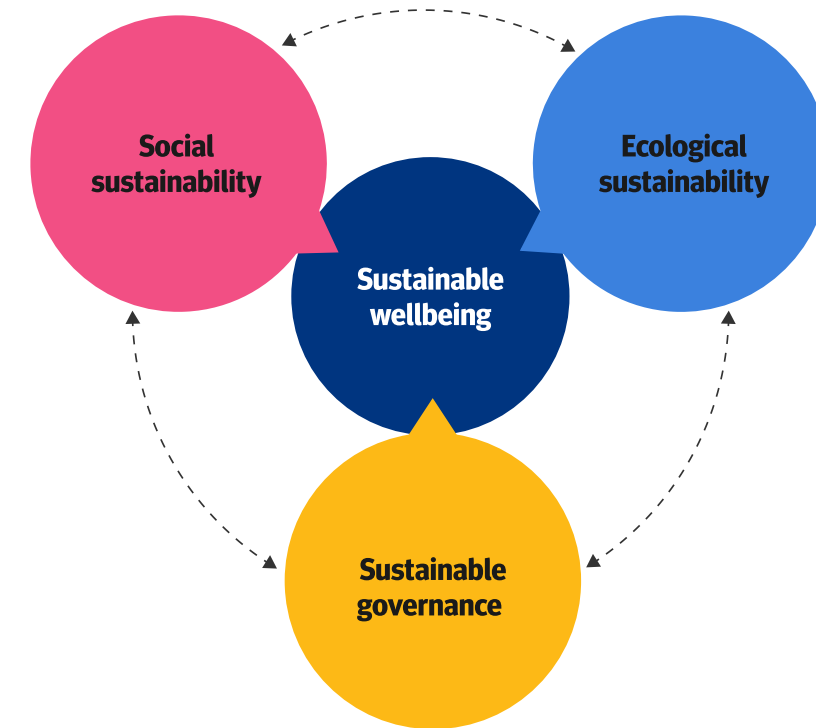
# Towards sustainable wellbeing

The future generations are about to inherit a society in which many may find it beyond their reach to attain the things needed for a good life. Our operating environment is becoming more polarized as we navigate through political change and fast-evolving crises. Acute crises demand from us a quick response, but may at the same time narrow our perspective and undermine our ability to face sustainability challenges.

These challenges are slowly unfolding threats with potentially destructive consequences if left unaddressed. The consequences are often gravest for those who are already vulnerable. We must recognize both acute and slowly progressing crises in order to achieve sustainable wellbeing, and that requires us to work consistently and with a clear purpose.

The goal of sustainable wellbeing is to give everyone the opportunity to achieve wellbeing – including the generations to come. In carrying out our main responsibility, we help to create a foundation for wellbeing and strengthen public trust. We secure people's livelihoods, promote health and support functional capacity in various life situations. We also seek to actively develop the social security system further, and produce information to meet various needs of society.

Our actions have an impact that reaches beyond our legislated mandate. We create sustainable wellbeing by promoting equity and human rights and by operating within environmentally sustainable limits. We also foster trust in the social security system and in public institutions by e.g. using public funds efficiently so as to ensure their availability to future generations.



The aim of our strategic sustainability policy is to achieve sustainable wellbeing. The policy guides our actions and helps us focus on the sustainability priorities that carry the greatest impact. More detailed goals and indicators for the policy themes are set out in a separate implementation plan. Our sustainability policy is based on a recognition of the impact of our operations, the changes taking place in our operating environment, and the views of our stakeholders. The policy sets out the steps we can take to operate in a more sustainable way in relation to our customers, the environment, our stakeholders and more broadly the society as a whole. We build the future with the choices we make today.

## Key terminology

### Sustainability

Sustainability refers to development that gives everyone the opportunity to achieve wellbeing both now and in the future. Overall sustainability refers to the combination of social and ecological sustainability, as well as sustainable governance. Action that creates and sustains wellbeing over the long term in various sections of society and the environment is sustainable. Viable ecosystems and social justice are basic requirements for sustainability.

### Responsibility

Responsible action promotes sustainability. Sustainability and responsibility share the same goals: securing the wellbeing of today's generations and the generations to come and protecting the wellbeing of the ecosystems. Responsibility means broadening the scope of organizational responsibility beyond the level defined in law. The responsibility of organizations is often viewed from the following three perspectives: environment, social and governance (ESG).

### Sustainable wellbeing

Sustainable wellbeing means taking a comprehensive approach to wellbeing. It acknowledges the wellbeing and needs of individuals, society and the environment both now and in the years to come. Sustainable wellbeing requires staying within environmentally sustainable limits, social stability and justice, reasonable economic security for all, and fulfilling basic psychological needs.



# Dynamics in our operating environment

**Distribution  
of wellbeing  
in transition**

**Challenges to  
social stability  
and trust in  
institutions**

**Societies are  
destabilized by  
environmental  
crises**

**Digitalization  
requires an  
overarching  
sustainability  
strategy**

**Human rights  
require active  
defense**

**Societies grow  
increasingly  
diverse**

See page 23 for an overview of our operating environment

# Kela's strategic sustainability policy



# 1

## **Social sustainability is foundational to trust**

We provide equitable services that meet the needs of our customers

We strengthen our shared basic values by securing human rights



# 2

## **Ecological sustainability ensures the foundation of wellbeing**

We support the achievement of common climate and biodiversity goals through systematic work

We promote sustainability by adopting resource-smart solutions and practices



# 3

## **Sustainable governance builds social stability**

We spend public funds in a sustainable way

We strengthen public trust



A photograph of a man with a beard, wearing a blue beanie, a maroon coat, and a plaid scarf, sitting on a red metal bench in a snowy park. He is looking towards the camera. In the background, a child in a blue jacket is running to the right, and another child in a pink jacket is sitting on the snow in the foreground. The scene is set in a snowy park with evergreen trees and a wooden fence in the background.

# Social sustainability

# Policy Item 1: Social sustainability is foundational to trust

Equity and human rights are the foundation of social sustainability. At Kela, promoting social sustainability means guaranteeing equity for our customers and staff members, promoting the realization of human rights and welcoming a diverse range of voices.

## Statutory basis

Under the Finnish Constitution, the government must protect everyone's fundamental rights and human rights. Second, the Non-discrimination Act requires governmental authorities to promote equity and forbids direct and indirect discrimination. The requirement to promote equity means that governmental authorities must evaluate their own performance in creating equity and take necessary action to achieve successful outcomes.

They also have an obligation to conduct comprehensive and timely reviews of equity, involving different groups of users and the civil society in that effort. Based on the reviews, they must take whatever measures are needed to promote the creation of equity.

As a provider of social protection and public authority, Kela has a particular responsibility and obligation when it comes to promoting equity and human rights. There is also a strong legal basis for this.

Kela has a wide and varied customer base, and we are also a major employer. Diversity generates different needs that we must recognize in order to create a foundation for promoting equity. As we come to understand the diversity of our customer base, we gain a better understanding of their backgrounds and the individual needs arising from them. Services that address people's individual circumstances are also efficient services.

Recognizing diversity strengthens the mutual trust we have with our customers and improves the customer experience. Still, an excellent customer experience cannot be created without an excellent employee experience. Recognizing diversity is also important when it comes to our staff.

An organization that acts responsibly creates an environment in which everyone is heard and no one is excluded. A diversity of voices is also a part of democracy and an open society. By strengthening inclusion, we can strengthen trust in our shared system.

## Diversity and equity

Diversity refers to the differences that exist between individual human beings. It means the human differences that may manifest themselves in any community, group or organization. The differences may be demographic or cognitive in nature, or they may be ones of personal experience. They may have to do with e.g. age, gender, ethnic origin, health, language, religion, sexual orientation, education, life experience or personality.

Equity refers to the equal value of all people, regardless of the differences between them or their individual characteristics. In order to bring about equity, we must recognize the different needs that people from different backgrounds have so that everyone will be able to enjoy equal opportunities.



# 1 A) We provide equitable services that meet the needs of our customers

Each of us has different opportunities and starting points when it comes to accessing services. Kela's customers are a highly diverse group, and therefore their service needs also vary. In addition, many have special needs that require measures to promote equity, positive discrimination or reasonable accommodations.

People may be disadvantaged on grounds of e.g. disability or their sexual orientation or origin, which often derives from structural discrimination and prejudice in society. There are many groups vulnerable to discrimination, and a person may belong to more than one of them at the same time. Offering the same service to everyone is no guarantee of equity but may instead cause indirect discrimination. In line with their statutory responsibilities, government authorities must therefore prevent and mitigate the harm caused by structural discrimination and make equity a reality in all their activities.

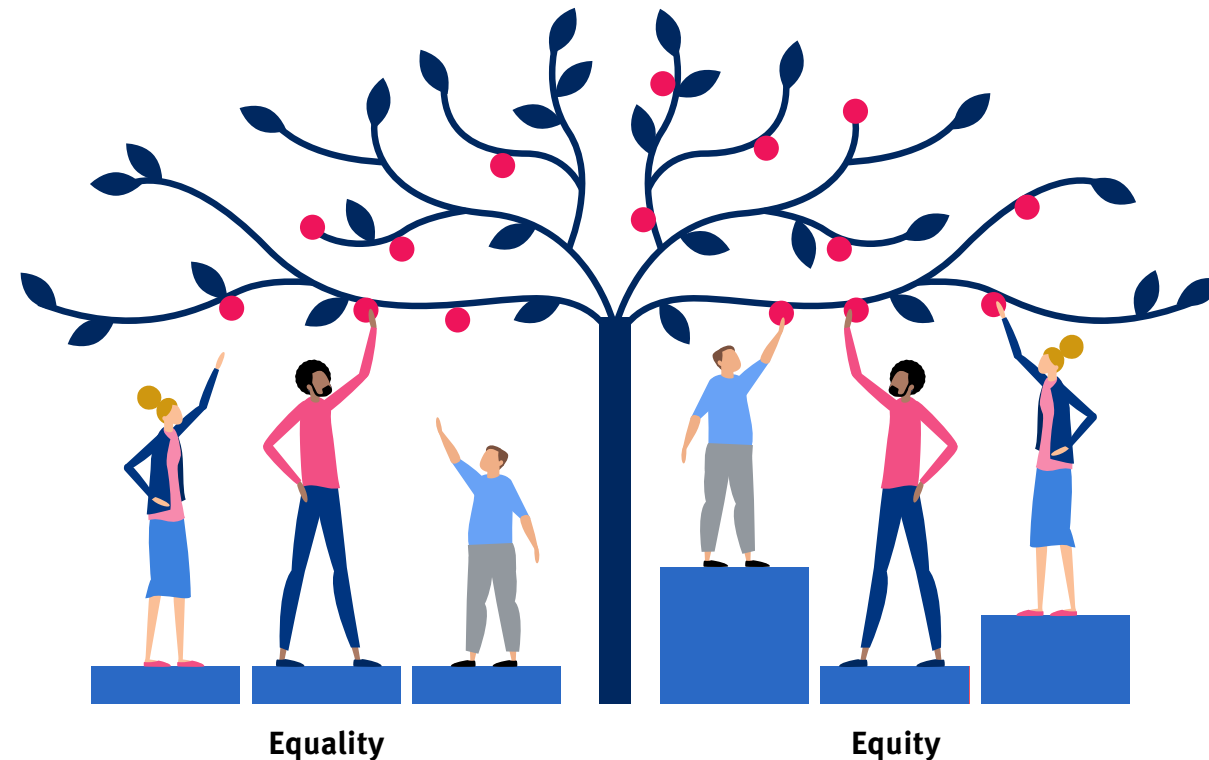
Customer and life situation orientation go hand in hand with equity – only by understanding our customers' circumstances and backgrounds can we succeed in creating a good customer experience. Equity ensures that customers from different backgrounds are given adequate opportunity to access our services. The design, development, and implementation of services and service channels according to needs require recognizing

and considering people's diverse starting points in a way that is welcoming to all kinds of voices. Including diverse voices in the conversation is also an important way of preventing discrimination.

In developing services and using different approaches to inclusion we must make sure that minorities and other vulnerable groups have a genuine opportunity to make their voices heard. We must also create an

inclusive environment in which everyone has the same opportunity to participate and everyone is treated fairly and respectfully. That way we can generate inclusion.

The better we understand our customers' backgrounds and the needs arising from them, the easier it is for us to offer them accessible, equitable and also more cost-effective services, both now and in the future.



## Examples of groups vulnerable to discrimination



**14 %**

Persons with  
disabilities and other  
functional limitations



**570,000**

persons with a  
migration background



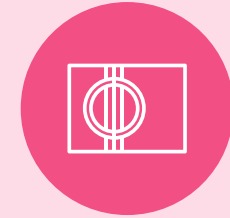
**3,000–  
6,000**

paperless persons



**3,400**

single homeless persons,  
30% of whom are  
long-term homeless



**10,000**

Sámi



**10,000**

Roma



**1,1 million**

children and  
adolescents  
(ages 0–19)



**630,000**

persons aged 75  
or over



**5–15 %**

members of gender  
and sexual  
minorities



**840,000**

members of  
language minorities

See also Appendix 2.



## 1 B) We strengthen our shared values by securing human rights

Human rights are protected by international agreements. They are legally binding and belong to everyone. Furthermore, they are shared values that carry a moral obligation for all societal actors. The realization of human rights is monitored both nationally and internationally. As a government authority, Kela has a constitutional obligation to secure and promote the realization of fundamental rights and human rights.

Human rights become more significant as the world becomes increasingly global, gaining further importance during geopolitical conflicts. This trend can also be seen in Finland. Political and financial decisions affecting the public sector also have repercussions for social security and human rights. Further, the extent to which human rights are realized depends in part on how social security is implemented. For all these reasons, accounting for human rights in a comprehensive way has particular relevance for Kela.

The right to an adequate subsistence and to social protection are human rights defined as applicable to everyone. Therefore, in implementing the social security system, Kela helps to secure the realization of key human rights, which we are required under the law to do as a government authority. We can also influence by adopting a general attitude and interpretation of the law that are amenable to human rights, which we are legally obligated to uphold as an authority.

The implementation of social security also has a range of indirect effects on the realization of human rights, including the rights of women and children. It is important that these effects are made visible and that we develop the skills needed to recognize them.

Various human rights risks are also associated with new technologies, investment activities, and, among other things, procurement, especially their long supply chains. Regular and comprehensive identification of human rights risks and continuous

development of activities based on this are prerequisites for ensuring the realization of human rights.

### Human rights with particular relevance for Kela's customers:

- Right to an adequate subsistence and to social protection
- Economic and social rights
- Right to health
- Equity and nondiscrimination
- Accessibility
- Right to privacy and data protection
- Right to a fair and equitable administrative process
- Rights of vulnerable groups



## **POLICY ITEM 1**

# **Social sustainability is foundational to trust**


**We provide equitable services that meet the needs of our customers**

**We strengthen our shared basic values by securing human rights**

## **Ways in which we can promote equal access to services for persons with different backgrounds and needs, and ensure the realization of human rights:**

- Work to remove structural barriers to equity, especially for minorities and other groups at risk of vulnerability
- Ensure that everyone can get the benefits they are entitled to
- Make certain that all voices are heard and include our customers in efforts to develop our services as well as ensure that minorities and others in a vulnerable position can have a say
- Guarantee human rights and adherence to the Non-discrimination Act in all interpretations of the law, legislative proposals and guidelines
- Adopt an interpretation amenable to fundamental rights and human rights in all our decisions and services





# Ecological sustainability

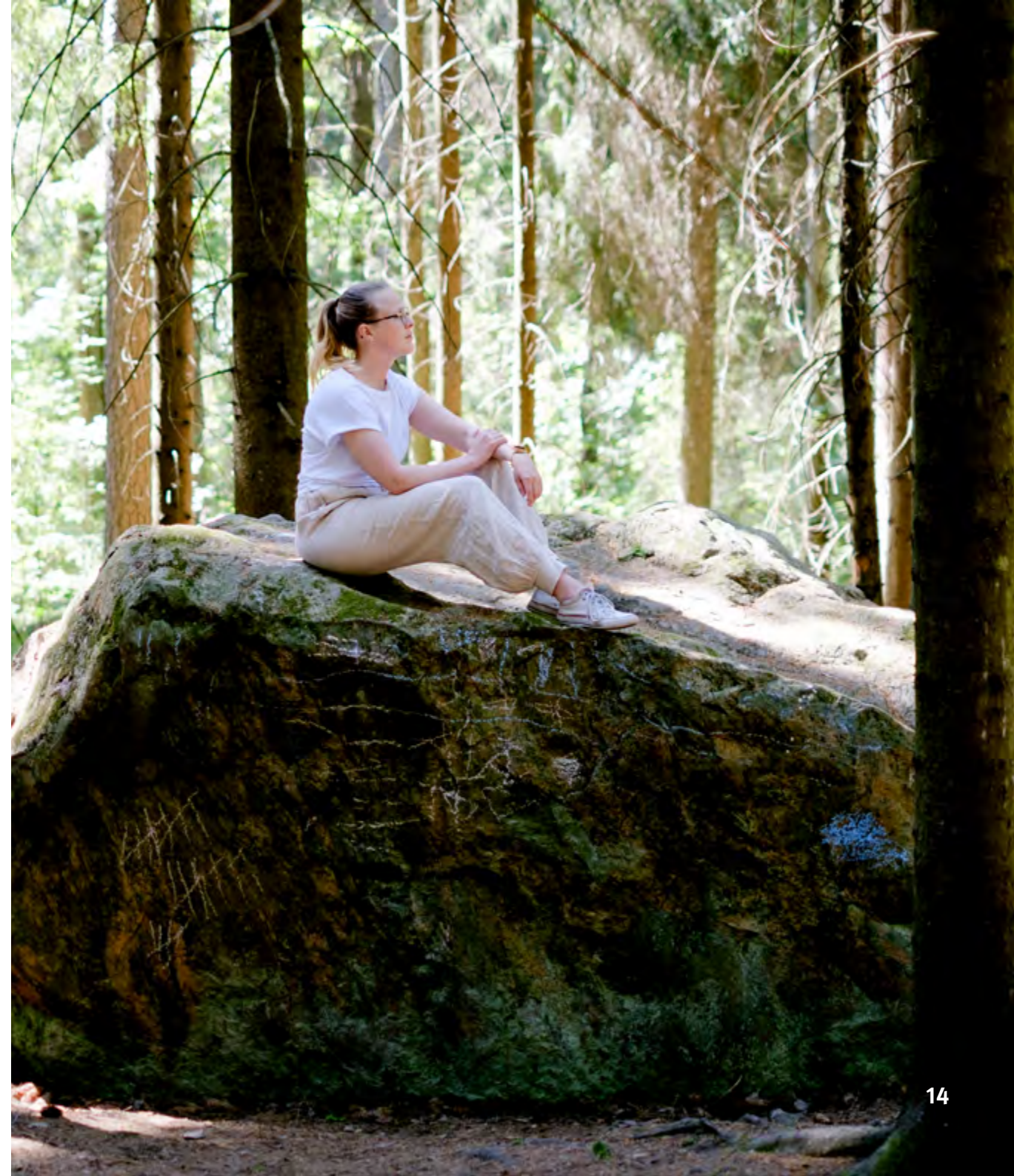


## Policy Item 2: Ecological sustainability ensures the foundation of wellbeing

Sustainable wellbeing requires us to act within environmentally sustainable limits. Environmental crises lead to more inequality, health-related distress and financial challenges, hitting hardest those who are already in a disadvantaged position.

Upheavals in the natural environment impact all of us in one way or another, fundamentally transforming our society. Climate change, loss of biodiversity and overconsumption challenge traditional industries, reduce the supply of staple commodities and increase migration, security risks and other such phenomena. All these changes pose a challenge to our accustomed ways of life and societal structures, whether we want them to or not.

As a major organization and societal actor, Kela has the obligation and opportunity to build ecologically sustainable practices in collaboration with various stakeholders. The profound changes caused by the environmental crisis also call for proactive adjustments so as to alleviate their most harmful effects, particularly for disadvantaged populations. By addressing environmental challenges, we are creating the conditions for secure livelihoods and health for everyone, now and in the future.





## 2 A) We support the achievement of common climate and biodiversity goals through systematic work

Achieving climate and environmental goals that secure the foundation of sustainable wellbeing requires determined efforts from all of us as well as and changes to established practices. As we gain an understanding of direct and indirect environmental impacts, we can direct our resources to the most effective causes. We also need expertise, tools, and structures to routinely consider environmental impacts in decisions at various levels.

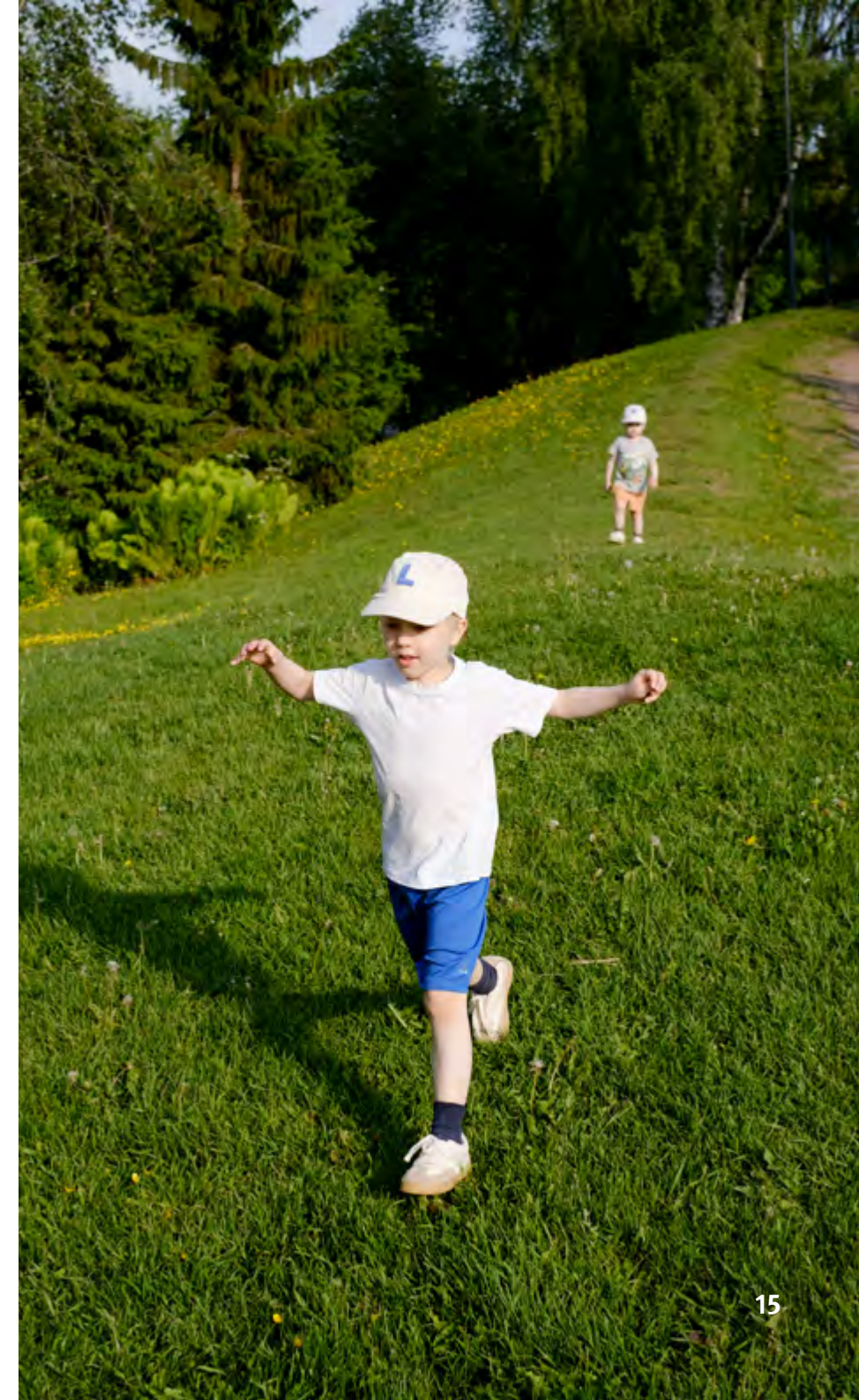
Above all, environmental work is not done alone: by working together with partners and stakeholders, we can multiply our potential for impact. Achieving sustainability will also require change at the societal level. Kela has a particular responsibility to highlight the links between the environmental crisis and socioeconomic challenges. We can contribute to finding holistic solutions to multidimensional challenges.

## 2 B) We promote sustainability by adopting resource-smart solutions and practices

Kela is a significant public procurer, as well as a major IT operator and employer. The impacts of our practices extend far, from the supply chain to energy consumption in data centers and remote work.

Ecological sustainability requires an understanding of the full lifecycle impact of different solutions and procedures. For example, digitalization can accelerate the transition to sustainability, but only if we also consider environmental aspects when developing and utilizing IT solutions. Careful planning that accounts for the entire lifecycle of a service or activity is key to achieving resource efficiency, whether it involves sustainable procurement or everyday work practices.

Ecological sustainability also supports wellbeing at the individual level: ecological, economic, and health benefits often go hand in hand. Ecological sustainability can also enhance workplace wellbeing by enabling actions aligned with personal values and creating opportunities for innovation and learning.



## **POLICY ITEM 2**

# **Ecological sustainability ensures the foundation of wellbeing**

**We support the achievement of common climate and biodiversity goals through systematic work**

**We promote sustainability by adopting resource-smart solutions and practices**

## **Ways in which we can promote ecological sustainability in our operations:**

- Evaluate the environmental impact of decision-making at all levels
- Work to minimize our direct and indirect environmental impacts
- Strengthen cross-government collaboration to solve systemic problems
- Plan ahead for the impact of environmental changes and support adjustment efforts



A man and a woman in business attire are standing in a hallway, looking at a smartphone together. The woman is on the left, wearing a blue blazer over a light pink shirt and dark green trousers. The man is on the right, wearing a dark blue blazer over a grey shirt and dark trousers. They are both smiling and looking at the phone. The background shows a hallway with wooden lockers on the right and a concrete wall with a metal rack on the left.

# Sustainable governance



## Policy Item 3: Sustainable governance builds social stability

Ensuring basic security for everyone is a significant task that impacts people's wellbeing. In order to succeed at this task, Kela must enjoy the people's trust. Strengthening trust in public institutions is of paramount importance to democracy and a functioning society. Sustainable governance helps us foster a stable society, which is a key prerequisite for achieving sustainable wellbeing.

Promoting sustainable governance increases trust in Kela as a government authority. Sustainable governance includes transparency and efficiency in operations, as well as informed decision-making. It also involves ensuring data security and the responsible use of new technologies. A fundamental principle of sustainable governance is the ethical conduct of operations. Enhancing ethical understanding strengthens our agency and builds mutual trust within the work community, between authorities, and with clients.

As a government entity, Kela has a special responsibility to use public funds sustainably. In all our activities, we must evaluate economic and productivity perspectives while also considering the long-term impacts of decisions and practices. Overall sustainability is promoted through decisions that simultaneously take into account social and ecological sustainability, as well as aspects of sustainable governance.





### 3 A) We strengthen public trust

Kela builds trust in the shared social security system in many ways through its operations. Kela's clients must be able to trust that we act responsibly and sustainably.

Kela's ethical principles guide the work of every employee. We continuously evaluate and develop the ethical aspects of our operations. In addition to transparency, ethical practices include a human-centered approach and respectful interaction with every individual. We also ensure that ethical practices are comprehensively applied in various contexts, such as the utilization of artificial intelligence.

Informed decision-making and transparent administration are important building blocks for trust and democracy. We produce information and data to further develop the social security system and to support public decision-making. We administer and share data also with other government authorities for the benefit of our customers. As a major data entity, Kela has a particular responsibility for promoting data security and sustainable digitalization.

We take steps to maintain our ability to continue operations even in various disruption scenarios. We provide economic security and ensure the functionality of social and health-care information systems in rapidly changing conditions.

### 3 B) We use public funds sustainably

Improving productivity supports the sustainable use of public funds. Through productivity, it is possible to simultaneously promote overall sustainability. For example, technological solutions can enhance operations and enable more equitable and environmentally sustainable practices. Technology can also free up resources that can be allocated to those in need of special support.

Streamlined administrative procedures and seamless cooperation between authorities also enhances the sustainable use of public resources. Sustainable governance and inter-agency collaboration contribute to a good customer experience.

Public resources must be used to build sustainable wellbeing. In allocating these resources, it is necessary to consider the direct and indirect impacts of the decisions on society, the environment and human beings.





### **POLICY ITEM 3**

## **Sustainable governance builds social stability**

**We strengthen public trust**

**We use public funds sustainably**

### **Ways in which we can promote sustainable governance in our operations:**

- Base our operations on ethical practices
- Understand the long-term impact our decisions, investments and operating methods on overall sustainability
- Take sustainability into account when improving our productivity
- Integrate sustainability perspectives into the development of digital solutions
- Build a sustainable future together with other actors, our partners, and service providers



# Building a sustainable future together

According to Kela's strategic vision for the future, we aim to be seen as a key actor in securing, developing, and promoting wellbeing, as well as a source of lasting impact on related matters. In order to deliver on this key objective, we must work systematically towards greater social and environmental sustainability and sustainable governance.

Our vision for the future emphasizes a customer- and life-situation-oriented approach, adaptability, extensive utilization of new technologies, efficiency, and strong partnerships. Supporting equity and diversity is essential for providing human-oriented services to our diverse clientele. Ecological sustainability drives efficiency, encourages the sustainable use of new technologies, and strengthens adaptability in a rapidly changing world. Sustainable governance enhances economic efficiency and fosters trust that enables collaboration among various stakeholders. By aiming for sustainable wellbeing, we thus ensure the conditions necessary for realizing our future vision.

It is the responsibility of organizations and public administration to create structures that promote sustainability and encourage a responsible approach. This requires creating practices and tools to incorporate sustainability. It is essential to increase understanding of the direct and indirect impacts of our actions on society, different groups of people, and nature. Sustainability perspectives must be evaluated as part of decisions and guidelines at various levels, whether strategic or operational.

Promoting sustainability requires decisive leadership. Responsible leadership guides the long-term prioritization and consideration of sustainability perspectives in planning, development, and decision-making. We also promote sustainability in our daily tasks and interactions of our employees – together, we create the conditions for wellbeing. Sustainability is a strategically central theme for Kela, driving us towards our shared vision of the future.



A blurred person in a yellow jacket and dark pants is walking from left to right through a modern building entrance. The entrance features large glass windows and metal turnstiles. A purple sign with a wheelchair icon is visible above the turnstiles. The floor is polished and reflects the light. The word "Enclosures" is overlaid in the center in a large, white, sans-serif font.

# Enclosures



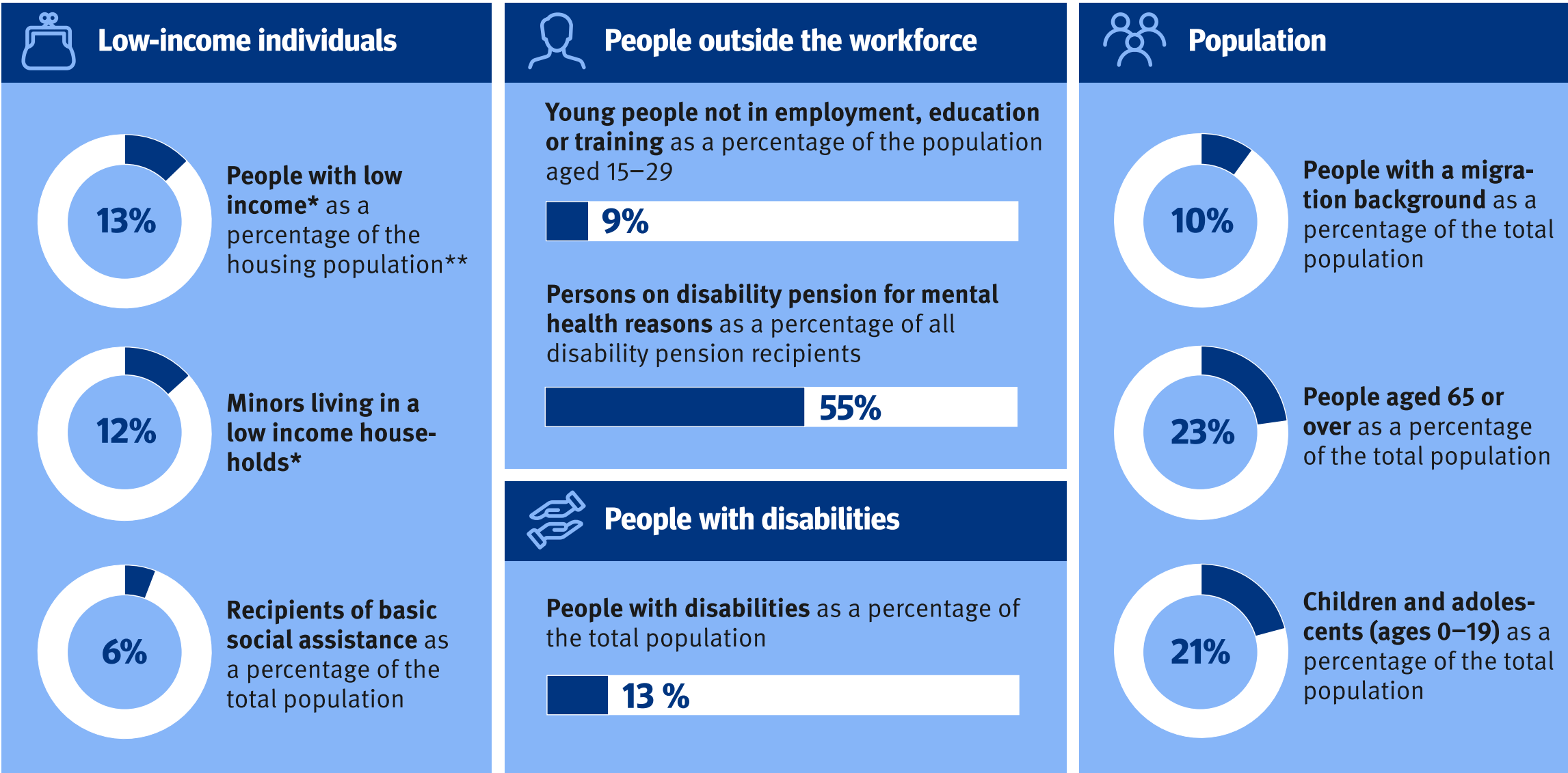
# APPENDIX 1: Overview of our operating environment – Facing forward in a rapidly evolving world

The image shows some important dynamics that affect our operating environment (vertical bars) and assorted phenomena associated with them (horizontal bars). Many of the phenomena are associated with several dynamics.

Distribution of wellbeing in transition	Challenges to social stability and trust in institutions	Societies are destabilized by environmental crises	Digitalization requires an overarching sustainability strategy	Human rights must be defended actively	Societies grow increasingly diverse
The financing of the welfare society is in crisis					
Impatience and individualism are pervasive in modern societies					
Persistent challenges to mental health					
Material and social disadvantages tend to accumulate					
	Democracy and the rules-based international order are wavering				
	Inequalities in the distribution of power and wealth continue to grow				
	Security is being challenged in several different ways				
		Environmental crises pose a threat to wellbeing and the financial system			
		Vulnerable populations are hit the hardest by environmental crises			
			Trust in information sources is tested in a digital world		
			Tech giants continue to amass power		
			The environmental impact of IT continues to grow		
				Regulation supportive of human rights is at risk of being undermined	
				Some voices are silenced as the third sector weakens	
					Polarization of values breeds conflict
					Society is rapidly becoming increasingly multicultural
					Regional disparity grows

# APPENDIX 2: Kela’s customers come from all walks of life

Some figures for 2023–2024



\*60% of median annual income.

\*\*People not included in housing population: permanently institutionalized people, people living in residential homes or abroad and homeless people.