



HUS LOGISTICS SUSTAINABILITY REPORT 2018



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HUS LOGISTICS IN BRIEF

The Joint Authority of the Helsinki and Uusimaa Hospital District (HUS) is Finland's largest hospital district and the country's second biggest employer. HUS produces specialist care services for more than 1.6 million residents of 24 member municipalities. HUS Helsinki University Hospital treats over half a million patients every year. HUS employs 25,000 professionals to provide the best possible care for all patients.

HUS Helsinki University Hospital is also responsible for the treatment of patients with rare conditions or special needs for people in an area of responsi-

bility (catchment area) that is broader in scope than their own hospital district and, in the case of some disorders, for the population of the country as a whole.

HUS Logistics is one of the HUS result areas that produces support services that are not related to medical care. Our services cover procurement, supply logistics, freight, a filling service, care logistics and medical technology. The HUS Logistics result area is headed and developed by the Director, assisted by the management team.

In 2018 the turnover for HUS Logistics was approximately 240 million

euros. As at 31 December 2018, 411 staff were employed by HUS Logistics.

The HUS Logistics supply chains are global and based on procurement contracts. The products we acquire are also made in so-called risk countries (BSCI classification), and one of the priorities of our sustainability work is to ensure that the conditions in which these products are manufactured reflect a respect for human rights and rights at work (ILO). We also consider fundamental environmental issues in connection with our procurement with reference to the main aspects of the HUS environmental policy.



DIRECTOR'S STATEMENT

This report represents a snapshot of the social, economic and environmental aspects of responsibility and sustainability associated with the work of HUS Logistics.

This is our first sustainability report in accordance with the GRI standard. In future the report will be published annually and will serve to monitor and manage the implementation of our sustainability targets.

Health and well-being for all

The key HUS values are the equality of humans, patient orientation, creativity and innovation, and high quality. These values also determine our approach to sustainability. We aim to acquire the goods, supplies and equipment we need in a way that ensures a respect for the equality of humans and for human rights and in a way that allows patients and employees to express their views, encourages innovative solutions and preserves a high quality service.

We also rely on public funds and so we have a special claim on sustainability and common values. Public procurement impacts the features and characteristics of products on the market and causes less harm generally during the lifecycle of a product or service. We also have an effect on global phenomena, such as climate change, and we are keen to take our responsibilities seriously and see a way to steer markets in a direction that is sustainable for society as a whole.

At HUS Logistics we want to boost the trust that our customers have in what



we do. Both employees and patients need to be able to have confidence in the fact that each procurement process is carried out in accordance with HUS values. The choices we make as a matter of principle also need to be visible in the everyday context and in the work of the care staff.

Sustainability reporting fosters results

In February 2018, the HUS Logistics management team decided that HUS sustainability work should adhere to a special sustainability programme and that the work should be coordinated by a sustainability team. At the same time, the management team adopted the procedure plan for the 2018 sustainability programme. Its main areas of focus were

Both employees and patients need to be able to have confidence in the fact that each procurement process is carried out in accordance with HUS values.

sustainability in procurement, waste reduction and good deeds on the part of the whole staff.

It was decided to start to produce a series of sustainability reports with reference to the GRI standard to monitor on an annual basis the results of the work done in connection with the sustainability programme. The report on the current situation and results for 2018 is the first one of its kind in its comprehensive description of the work of HUS Logistics. It is at the same time, therefore, an initial measurement of our sustainability work, setting a basic level for work in the future.

Results were achieved in all selected focus areas. The amount of waste produced decreased, ecological and social sustainability played a far more major role in more invitations to tender, and the campaigns relating to good deeds on behalf of the staff, such as the Christmas gift collection for the Mother and Child Home and Shelter in Vantaa, were enthusiastically received.

In 2018 much effort was devoted to developing cooperation with interest groups and building networks. We had talks with 10 major suppliers we use concerning our goals and targets in the area

of sustainability and our partners' readiness to respond to them. Together we identified ways to proceed and more effectively ensure, for example,

that human rights were being implemented in the supply chain. We also networked in the area of corporate sustainability and forged partnerships with such organisations as Finnwatch, FIBS, Fairtrade Finland and the European Working Group on Ethical Public Procurement (EWGPEP).

At the Health Technology Procurement Seminar run by Sailab-MedTech Finland at Finlandia Hall in 2018, we told our interest groups about our sustainability programme and, in particular, our sustainability goals in connection with procurement. At the same time, we called on all the companies and other procurement units in the industry to promote, together with us, social and ecological sustainability in health care. The challenge was taken up, and has spawned several meetings and development projects. We have, besides, established an inter-hospital district sustainable procurement developer group and organised market dialogue events related to the subject.

Focus areas for 2019

In 2019 we are involving our HUS municipal and catchment area clients, contracted suppliers and key partners in our sustainability work. Together we are conducting a materiality analysis of our goals and are targeting measures based on future selected targets.

The identification of risks, especially in the area of rights at work, will be made easier when in 2019 we have the countries that manufacture our products under contract included in our Enterprise Resource Planning system and we can use them to make our risk assessments (BSCI).

With Finnwatch we have launched a collaborative project to develop a supply chain Code of Conduct to apply to competitive tendering for medical supplies. These are ethical guidelines to be attached to contracts. The project will also determine the criteria for human rights issues in invitations to tender in two pilot projects.

We are also establishing stronger ties with Sailab-MedTech Finland in focus areas related to social and environmental sustainability.

The aim for the entire year is to make the sustainability criteria in invitations to tender a far more obvious presence.



SUSTAINABILITY FOCUS AREAS IN HUS LOGISTICS

Focus areas in the HUS Logistics Sustainability Programme 2018

By a decision of the management team in February 2018, it was decided to set up a sustainability team at HUS Logistics to promote the broad implementation of sustainability-related focus areas. The team is based on the former environmental sustainability group structure, which is the operating model in use throughout HUS.

The sustainability team includes experts from different areas of HUS. In

2018, the team's chair was the procurement manager, with the other members representing logistics, buying, customer service and procurement.

It is the sustainability team's function to draw up annual procedure plans and have them approved by the HUS Logistics management team, which is chaired by the Director.

The HUS Logistics sustainability programme is based on the HUS procurement strategic policies, the HUS environmental programme and its envi-

ronmental guidelines attached to procurement documents. The sustainability team has identified the following as crucial areas for improvement in the HUS Logistics sector: waste reduction, recycling and reuse, minimising emissions from vehicles, and greater attention to environmental and social sustainability in invitations to tender and in procurement contracts.

SUSTAINABILITY REQUIRES TEAMWORK

Transparent cooperation with interest groups and its development are very important to us. Our sustainability programme was planned in close dialogue with our internal experts, contracted suppliers and organisations in the field of corporate sustainability.

The interest groups we have decided upon are those the work of HUS Logistics affects and which in turn affect HUS Logistics.

In 2018 we met all our major suppliers to see if they were in a position to respond to the demands associated with growing corporate sustainability in our invitations to tender. We took account of the issues the suppliers raised to make our own materiality assessment. We also had talks with Fairtrade Finland, FIBS, Finnwatch, Sailab and the EWGEPP.

Our customers have their own strategic goals in which we also have an important role to play. We support the internal

customers of HUS in their targets for stopping the use of PVC and waste prevention, for example. Our municipal clients, meanwhile, have ambitious targets for the reduction of emissions and carbon neutrality. We continually strive to make improvements in what we do to achieve these goals as far as is possible and for us to be able, with our interest groups, to make systematic and fruitful progress.

We are members of the following organisations: FIBS and Logy.



Table 1. Key interest groups in sustainability

Interest group	Cooperation practices
Contracted suppliers	Market dialogue, development meetings, supplier cooperation and contracts
HUS clients	Panels of experts, cooperation meetings, the Ecological ATeK working group, the HUS Responsible Procurement Network, client panels
Municipal clients	Panels of experts, cooperation meetings, Vantaa Sustainability Advisory Board
Catchment area clients	Panels of experts, cooperation meetings
Other hospital districts	Developer group
Other public procurement units	Developer group
The KEINO network	Developer groups, information and publicity, and training
Sailab-Medtech	Networks, supplier cooperation
Finnwatch	Cooperation project
Fairtrade Finland	Cooperation meetings, information and publicity

Our customers have their own strategic goals in which we also have an important role to play.



FINANCIAL RESPONSIBILITY

By financial responsibility HUS Logistics means the achievement of economic targets to produce long-term added value for its clients and its owner municipalities. Services are produced for clients cost-effectively. Significant financial savings can be made in procurement with the aid of competitive tendering. Furthermore, in the area of care supplies procurement, it helps ensure a consistent supply range throughout the patient's treatment path.

Joint Authority HUS consists of five hospital districts: Helsinki University Hospital, Hyvinkää, Lohja, Porvoo and Länsi-Uusimaa. Its income comes from the service charges paid by member municipalities and other revenue. The service charges paid by the municipalities depend on the services they use.

HUS Logistics is part of Joint Authority HUS. It complies with the Joint Authority's financial guidelines. Joint Authority HUS every year sets HUS Logistics its financial and operational targets.

Operating expenses 2018

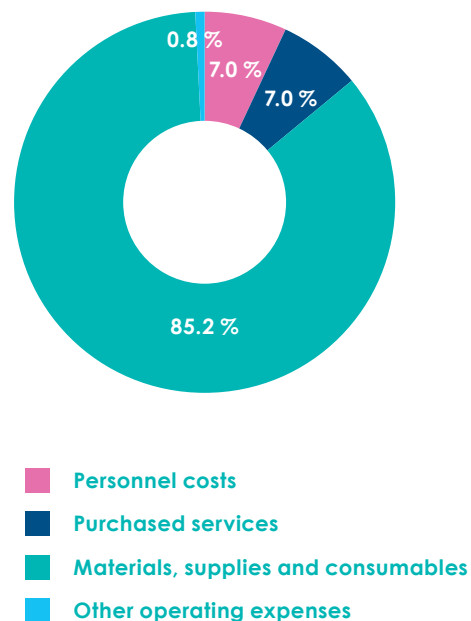


Table 2. Financial statements 2018 vs. Estimated for 2019

	Financial statements 2018	Estimated for 2019	Change EUR ESTIMATED FOR 2019/Financial statements 2018	Change % ESTIMATED FOR 2019/Financial statements 2018
Total operating revenue	238,607	234,418	-4,189	-1.8 %
Revenue from sales	238,383	234,418	-3,965	-1.7 %
Member municipalities' contribution	0	0	0	0.0 %
Other service receipts	0	0	0	0.0 %
Other sales revenue	238,383	234,418	-3,965	-1.7 %
State subsidy for training and research	0	0	0	0.0 %
Payment revenue	0	0	0	0.0 %
Total subsidies and grants	9	0	-9	-100.0 %
Other operating revenue - total	215	0	-215	-100.0 %
Total operating expenses	238,259	234,142	-4,117	-1.7 %
Personnel costs	16,634	18,297	1,663	10.0 %
Purchased services	16,738	18,345	1,607	9.6 %
Materials, supplies and consumables	203,024	195,472	-7,551	-3.7 %
Grants - total	0	0	0	0.0 %
Other operating expenses	1,863	2,027	165	8.8 %
Operating margin	348	276	-72	-20.6 %
Financial income and expenses	0	0	0	-100.0 %
Annual contribution margin	347	276	-71	-20.5 %
Depreciations and amounts written off - total	331	276	-55	-16.7 %
Result for the financial year	16	0	-16	-100.0 %
TOTAL OPERATING EXPENSES AND DEPRECIATIONS	238,590	234,418	-4,172	-1.7 %
INTERNAL OPERATING REVENUE	203,476	195,418	-8,058	-4.0 %
EXTERNAL OPERATING REVENUE	35,131	39,000	3,869	11.0 %
Internal, as a percentage of operating revenue	85 %	83 %		
External, as a percentage of operating revenue	15 %	17 %		
Check	16	0		
Should be zero:	0	0		

EFFECTIVENESS THROUGH PROCUREMENT

The purchases that HUS makes come to around 700-800 million euros a year. The quality and affordability of a procured good or service is of course important; but sustainability is becoming more and more a factor. The requirements are a reflection of the HUS and its municipal clients' strategies, but also of a general change in consumer behaviour, as is apparent in an increased awareness of issues of sustainability. The HUS operation is associated too with material flows and energy consumption in medical care and its support activities and with working conditions in production indirectly via supply chains in the countries of manufacture.

Our largest product categories are health care supplies, medical equipment and services. Procurement takes place in global markets. It is not possible to list the supply countries for 2018 with any degree of precision, but we will be developing our reporting tool in 2019 so that in future we will also be able to report on our procurement process.

The actual user of medical services is the patient. Patients have to be satisfied with the treatment they receive in order for health care services to be of a genuinely high standard and competitive. The needs of the patient will have to be considered more in the future when HUS is involved in procurement. The patient's real needs and product or service acces-

The needs of the patient will have to be considered more in the future when HUS is involved in procurement.

sibility will be more visible than ever in procurement, when, for example, it will be possible to include patients or their representatives in the evaluation of the products and services to be acquired. Furthermore, the supervision of contracts will need to incorporate monitoring of patient satisfaction with an acquired product or service.

HUS procurement of services divides into direct procurement, which is mainly the acquisition of services connected with specialist care and patient transport, and indirect procurement, mainly the acquisition of support services, such as ICT, consultancy, transport and buildings. The services acquired are mainly produced in Finland. The main production abroad of significance is that connected with ICT services, such as cloud and system development services.

The extent to which sustainability is a consideration varies from one service procurement process to another, and relies on an impact study for each type of acquisition. Environmental criteria play a role in the procurement of transport services and of property services, where applicable. Socially responsible activity is monitored through checks in accordance with the Finnish Act on the Contractor's Obligations and Liability when Work is Contracted Out in the acquisition of the services the Act applies to.

The principles and policies guiding responsible procurement

Responsible procurement is guided by principles that divide into HUS policies and general obligations applicable to public procurement. The HUS procurement strategy advocates that HUS should be able and willing to affect the supply of products and services, achieving an environmentally acceptable impact (Procurement Strategy, HUS Board 6.6.2016). The HUS procurement guidelines, meanwhile, stress the importance of taking account of environmental impact at the point where procurement is being planned. Decisions on procurement affect how much in the way of energy and materials will be consumed during a product's or service's lifecycle and how much in the way of greenhouses gas emissions and waste will be produced.



HUS is committed to a continued reduction in environmental impacts (HUS Environmental Policy, HUS Board 9.5.2016). HUS aims at a more resource-wise operation, waste reduction and a smaller climate load (HUS Environmental Programme 2016-2010).

The public sector has the power and an obligation to use purchasing power sustainably. Public sector procurement in Finland amounts to around 30 billion euros a year and, consequently, it has an effect on the features and characteristics of the products on the market. Sustainable procurement is a way to try to reduce hazardous environmental impacts and emissions and promote the sustainable use of natural resources throughout the lifecycle of the procurement process. A Government Resolution (13.6.2013) also commits the state and the municipalities

to a pledge to promote energy and environmental (cleantech) solutions.

Managing sustainable procurement

HUS Logistics procurement implements the sustainability goals of HUS. Sustainability issues are an element in all normal procurement activity from planning to final assessment. Procurement experts are responsible for taking account of the matter of sustainability in procurement, and, to aid their endeavours, materials have been produced, such as the enclosure with the procurement guidelines dealing with the environment and the procedures in place for sustainable procurement. Training has also been organised on the subject. In 2018 there was a training session run for all procurement personnel on the subject of sustainable

The aim for 2019 is for 50% of procurement notices by HUS Logistics to feature social and/or environmental sustainability criteria.

procurement, and the subject was also dealt with in induction sessions for new staff. Within the HUS Logistics procurement organisations sustainability in procurement is developed and guided by the procurement project manager and procurement heads.

Goals of sustainable procurement

The content of, and emphasis on, social and environmental criteria depend to some extent on the nature of the acquisition itself. The aim for 2019 is for 50% of procurement notices by HUS Logistics to feature social and/or environmental sustainability criteria.

In 2019, HUS Logistics concluded an agreement with Finnwatch on a joint effort between them to promote socially sustainable procurement. This is a pilot project where Finnwatch will help prepare an invitation to tender based on procurement and will draw up recommendations for HUS Logistics on how to integrate matters of social responsibility with all its public procurement processes.

Human rights in the supply chain

The supply chain for the products acquired by HUS Logistics is a global one and it also involves several 'risk' countries (BSCI classification). We assess the risk to human rights associated with each procurement process at the market dialogue stage when we are identifying those countries where the products we want are manufactured and where they rank in the BSCI list of risk countries and when having talks with potential suppliers about the market and the risks identified. The BSCI risk countries generally supply surgical and examination gloves and products used for protection and covering the body, such as surgical gowns, masks and caps. There are commonly risks attached to various disposable goods, which are purchased in large numbers. The human rights risks we identify include problems with pay, working hours, freedom of association and recruitment fees. A report on corporate sustainability also mentioned, for example, the use of forced and child labour. These risks we aim to minimise

by demanding transparency of our suppliers and, for example, audit reports. HUS Logistics does not itself conduct audits of its suppliers or production plants; instead, it makes use of a reliable audit report certified by a third party as one of the terms and conditions of procurement contracts with risk countries.

Evaluating new suppliers

Suppliers are evaluated in the procurement process with reference to the suitability requirements imposed on tenderers. Tenderers may be set suitability requirements to ensure both that the company is fit to deliver what is required and, at the same time, check that it has not neglected its social obligations (taxes, social security contributions, pension contributions, etc.) and that it or someone in a management role at the company has not been found guilty separately of a punishable act under Finnish law.

Under section 87 of the Finnish Act on Public Procurement and Concession Contracts (1397/2016), the contracting entity, in any EU procurement process,

Invitations to tender published in 2018 generally required information on the country where the products were made and made it a condition that the products should be traceable.





shall require use of the European Single Procurement Document as prima facie evidence that a tenderer satisfies certain suitability requirements.

Section 88 of the Act states that, before concluding the procurement agreement, the contracting entity shall require the selected tenderer to submit current certificates and accounts in order to investigate whether it is subject to any mandatory ground for exclusion and whether it satisfies the suitability requirements imposed by the contracting entity.

Evaluation of new suppliers based on criteria of environmental and social sustainability

In 2018, 10% of invitations to tender featured social and/or environmental criteria (in all some 200 invitations to tender were published). Environmental criteria are based on the relevant enclosure with the procurement guidelines. Many invitations to tender endeavoured to identify

the PVC content of products and, with some, an essential requirement was that the product contained no PVC nor any other halogen-based plastic. Some invitations to tender featured the use of ecolabels as an essential requirement, such as FSC/PEFC or a Type 1 eco-label (Nordic Swan or EU ecolabel).

Invitations to tender published in 2018 generally required information on the country where the products were made and made it a condition that the products should be traceable. Furthermore, in several invitations to tender for supplies, suppliers were asked to provide evidence of their sustainability policy and how their business took account of social sustainability, the conducting of audits of their subcontractors and their business development plans. Moreover, one invitation to tender endeavoured to test the market's eligibility by asking for the names of the plants and the countries of production where the products speci-

fied were made and details of whether a production plant had been inspected for social and environmental sustainability. In the invitation to tender audits were a scored criterion.

Several competitions with respect to medical equipment took into consideration its total lifecycle cost, with the assistance of experts in the field. In such cases, the benchmark price would consist of the cost of acquiring the equipment and the lifecycle cost for the period specified separately for the equipment in the invitation to tender. In almost all the competitions, suppliers were asked for an account of their quality systems.

In 2018 HUS Logistics was involved in a joint project of the municipalities in the Helsinki Metropolitan Area to develop the environmental criteria for light logistics and transport services. The criteria were finalised in March 2019 and will be employed in future when HUS transport services are being put out to tender.

MANAGING SOCIAL SUSTAINABILITY

Social sustainability means the social impact our business has on, for example, our staff policy and our working culture, as a result of procurement. Considerations of social sustainability as it relates to procurement are addressed in the section of the report explaining what procurement is.

Responsible employer policies

The HUS Board decides on staff policy, the remuneration structure, the implementation of the equal pay policy and the application of these in the HUS Group. The goal is meaningful, productive and safe work and impartiality, transparency and fairness. At HUS Logistics we apply the common HUS rules and responsible employer policies and all new employees are made familiar with the HUS values.

Goals for responsible employer policies

The aim in our staff policy is for HUS to lead the way in its sector and be an attractive place of employment, where everyone has a meaningful, productive and safe and secure job. A basic principle of good and sound staff policy is that it is impartial, transparent and fair to everyone, irrespective of the unit in the organisation or the area in which someone works.

HUS Logistics grew in 2018 and it increased recruitment and the number of new employees it took on. Improvements were made to the induction process in the shape of a guide produced for working in the warehouse/stores,

the organisation of induction sessions for different teams, and a careful review of the content of the general induction plan. New roles for line managers and organisational changes were a way to try to ensure that teams were a reasonable size and to clarify their responsibilities to ensure a smooth flow of improvement and development. New supervisory roles were established for stores and care logistics, the role of the medical technology engineers was clarified and in procurement product range management was made its own area of responsibility.

Operational development is based on lean thinking, and during the year staff took part in development projects for their own teams, attended development workshops (kaizen) and went on Gemba walks. Kaizens are workshops that typically last one to four days and during which changes are planned and implemented to address a problem in a process identified in advance. Participants are those responsible for the process and staff involved in delivering the process from different teams. Every participant

Good and sound
staff policy
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affects the development of the process from the point of view of their role and people learn together. The aim is to find an easier, more efficient way to proceed.

The purpose of Gemba walks is to observe the workings of a process and to eliminate barriers to its success. The aim is to improve communications and cooperation between management, staff and teams and to help management have a better appreciation of what an operation consists of and the problems associated with it, so that they can streamline the day-to-day process from their end.

The goals for 2019 increased opportunities for improving competence by means, for example, of new training programmes.

Management approach

HUS Logistics management and supervision and its functions ensure the implementation of HUS values and the agreed policies for its result area. Openness, impartiality and interaction are key principles of management. Management is based on a common approach that is implemented in all teams. This layered management model involves the organisation of regular monthly and weekly meetings and even meetings every day, if the nature of the business requires it. The aim of the common approach is to ensure that communications are timely and that staff can be involved in achieving targets for operational development and supervisor and management support.

Meetings to discuss targets and development are held at least once a year

and targets are imposed at all levels and are monitored regularly.

A result area for dealing with matters that broadly affect HUS Logistics has a management group, whose chair is the manager of the result area, with the other members being those appointed by him or her and a staff representative. Where necessary, staff who prepare the items for discussion at management team meetings take part in consideration of them by the management team.

It is the function of the management team to support the manager of the result area in strategic and operational management tasks and ensure that decisions are implemented and monitored. The management team monitors the availability of customer services, their quality and the experiences that customers have of them and ensures that cooperation runs smoothly, the result area's finances are in order, and that the rest of the operation proceeds effectively. The

management team deals with reports on risk, matters of contingency and risk management targets and associated programmes of measures.

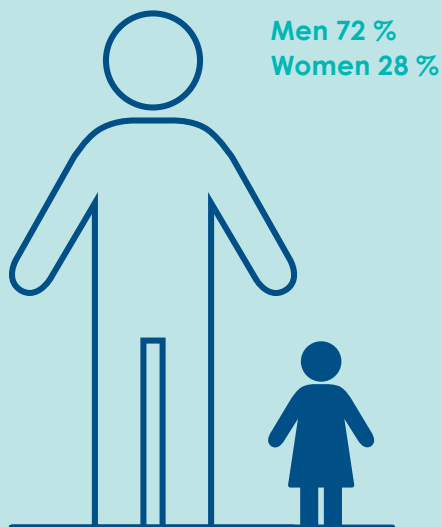
If necessary, experts are invited along to management team meetings. Minutes are taken of the meetings and these are posted on the intranet. The management team convenes once a month and otherwise at the behest of the Chair, if necessary.

In 2018 the number of staff at HUS Logistics grew. A care logistics service started in the New Children's Hospital and 14 new care logisticians were recruited. Hospital logistics services grew with the acquisition of new clients. Organisational changes led to several new specialist and supervisory functions. By the end of 2018, 50 of the permanent staff had been with the organisation for under a year. The percentage of permanent staff leaving was 7.9 %.

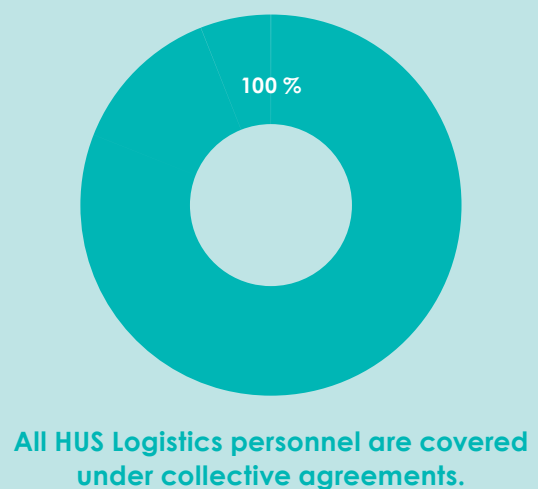
Table 3. Staff numbers 2018

	2018	December 2017
All personnel	411	343
Permanent	370	307
Temporary	41	36
Part-time	18	13
Full-time	393	330

Gender balance



Collective agreement

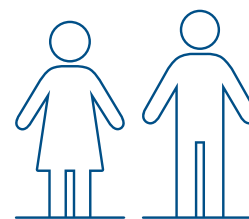


Parental leave

During the year a total of 4,300 days of family leave were taken by 57 staff. Both men and women took leave, although the distribution by gender varied across various forms of family leave. Only women took parental leave; men accounted for around a third of the days taken for care leave and only a tenth of the days taken for partial care leave. Temporary care leave is taken if a child suddenly falls sick, and men took that sort of leave significantly more than women.

HUS Logistics now makes it possible to work from home in the case of clerical duties. One of the aims of working from home is to ease the reconciliation of professional and family life.

Table 4. Family leave 2018



	Women	Men	Total
Maternity/paternity leave	253	176	429
Care leave	1,178	576	1,754
Parental leave			575
Partial care leave	1,138	138	1,276
Temporary care leave	63	103	166

Job satisfaction survey

The staff at HUS Logistics every year respond to a workplace barometer survey at HUS that measures staff satisfaction with their job, management and working conditions. A total of 87\$ of staff responded. The opportunity to work independently is highly valued and the supervisory work gets good feedback. In 2018 the clarity of goals and targets got a higher score than previously, and opportunities to have a say (empowerment) were considered good.

There was room for improvement in cooperation between teams, giving feedback and opportunities for professional development.

In all, 75% of the staff would recommend HUS Logistics as a place of work. The results of the workplace barometer are communicated publicly and the results for individual teams are processed separately under the supervision of each supervisor/line manager. The common themes chosen for development were improvements to the feedback culture, the management's use of time and better meeting practices. In the past year the layered management model has become established and the content of meetings continues to be improved.

In the context of the management model, each team meets regularly at times agreed in advance and these meetings help ensure that communications between the different levels of the organisation flow well.

Table 5. Workplace barometer 2018

Index	2018	2017
Management	3.49	3.53
Work unit activities	3.73	3.59
Supervisory work	3.84	3.84
Interaction in the work unit	3.48	3.45
The challenge of work	3.96	3.94
Professional self-esteem	3.80	3.77
Working capacity	4.16	4.15

Table 6. Accidents at work 2018

Circumstances	Number of accidents	Absence from work due to accidents	Days off sick, total	Compensation, €
Work	18	5	60	7,015
Journey to work	13	1	8	1,394
Other	3	1	4	1,286
Occupational disease	0		0	0
Suspected occupational disease				
Yhteensä	34	7	72	9,695

Table 7. Accident frequency 2018

Accident frequency	2018
LTA3	6.3
LTA1	7.9

Occupational health and safety

The occupational health and safety plan at HUS Logistics is based on the HUS plan for the period 2018-2021. HUS Logistics has its own health and safety committee comprising health and safety staff, supervisors and employees. The committee covers all areas of Logistics. HUS Logistics devises its own measures based on the HUS plan.

The main performance indicators of well-being and safety at work are absence due to illness and associated costs, early retirement pension expenses, risk assessment and occupational health and safety management systems.

HUS Logistics encourages staff to carry out safety observations. The number of observations and the remedial measures are monitored weekly at meetings of daily management. There are still relatively few observations made of occupational safety issues. In 2018 there were just 27. The aim is to boost staff aware-

ness of the process for making observations and their necessity, and to raise the number of observations made to in excess of the 100 mark.

Other systems are in place to identify hazards, such as the occupational safety rounds, which at HUS Logistics are carried out by all the goods transport teams and the medical technology organisation.

Work-related risk assessment is carried out in the HUS risks system. An assessment is undertaken for each team separately. More comprehensive assessments are carried out every four years, and these are updated once a year. The HUS risks system also records all the accidents at work that have taken place and their investigations.

Occupational health services

HUS organises occupational health care for staff independently, the services being produced by HUS Occupational Health Services. All HUS Logistics

Components of the HUS well-being at work programme and their focus areas:

- 1 A functional work community – managing the workload and change management
- 2 A safe working environment – practical safety management
- 3 The healthy employee – managing work capacity



employees are covered and the services are the same for everyone. Statutory preventive occupational health services account for roughly half of the costs of occupational health care at HUS. HUS also provides medical services on a voluntary basis. They are mainly provided to meet a service need with long-term effect on work capacity.

At HUS level cooperative training sessions in well-being and health and safety at work are run mainly for line managers/supervisors and health and safety two-person teams selected from among the staff. Discussions of occupational health and safety issues take place at the weekly management meetings and at team meetings.

Occupational health care and health and safety personnel organise training sessions in these areas. HUS Logistics organises fire safety training and staff can attend the HUS first aid courses, open to all. Occupational health and safety is a

component in the induction programme for all employees. This also involves telling staff about the tasks and roles connected with health and safety at work.

HUS aims to promote health and a smoke-free policy is one of its means of accomplishing this. Smoking is prohibited during working hours and only permitted outside working hours in special areas reserved for it. In 2018 the Logistics Centre put up posters to improve familiarisation with ergonomics and an occupational physiotherapist is providing guidance on the design and dimensions of workstations and their correct use. In 2019 the intention is also to design posters for the transportation of goods.

Improved leadership and competence

Part of the staff plan involves the annual plan for the development of competence and skills. In 2018, 133 HUS Logistics staff took part in training organised by

HUS, and there was a total of 310 training days. Staff also attended seminars and training sessions in the industry outside HUS, and during the year joint inductions sessions (20) were run. Joint development sessions for line managers/supervisors were run in January and September. Information sessions were also given for line managers and supervisors on topical themes connected with their work.

Every employee has career development reviews with their superior at least once a year. The reviews are held jointly in teams in accordance with an agreed schedule. The workplace barometer suggests that 82% of staff had had discussions with their superior and 10% of respondents had started at HUS Logistics less than a year before.

HUS Logistics staff belong to the HUS performance reward scheme. Performance is estimated in the system at organisational level.

MANAGING ENVIRONMENTAL SUSTAINABILITY

HUS environmental policy is coordinated at the HUS Environmental Centre. At HUS Logistics we implement the HUS environmental sustainability targets via our sustainability group. Our environmental sustainability work is guided by HUS environmental policy, the HUS Environmental Programme and the HUS Procurement Strategy. Our targets derived from the HUS Environmental Programme and their associated measures for 2008 are set out here.

Components of the HUS Logistics Sustainability Programme

1

Waste reduction and efficient recycling

- Acquisition of durable towels for the HUS Logistics toilets
- Report on the acquisition of a waste compactor for the recycling of plastic
- A review of the waste guidelines with all staff over coffee

Sustainable procurement

- Monitoring the use of sustainability criteria and compiling statistics in invitations to tender
- Training sessions in environmental and social sustainability for staff involved in procurement
- Policy on sustainable procurement
- Adding a country of manufacture to the invitation to tender template
- Identification of the most relevant competitions from the standpoint of sustainability and support for procurement specialists in taking this into account

2

3

Good deeds on the part of the whole staff

- Christmas gift event for the Mother and Child Home and Shelter
- Fairtrade coffee break



Reduction in energy consumption and emissions

The HUS Logistics Centre is an energy-efficient building in category A and its estimated overall energy consumption is approx. 74 kWh/m² annually. The building's heating system is geothermal. A total of 522 MWh of electricity was purchased from Vantaa Energy for lighting and equipment in 2018. This was 11.9% more than in the previous year. The increase is partly explained by the growth in the operation and in the number of employees. In 2019 there will be an attempt to curb energy consumption with improved lighting and by optimising the need for cooling. The purchase of solar panels is also planned.

Our work in the area of greenhouse gas emissions is reflected not just in the energy consumption rate for the Logistics Centre but also in the transport of goods from the warehouse to our clients for which we are responsible.

Table 8. Consumption of electricity

	kWh	Change-%
2015	399103	-
2016	428246	7.3 %
2017	469601	9.7 %
2018	522141	11.2 %



Table 9. Carbon dioxide emissions

	Carbon dioxide emissions	Relative to the surface areas of HUS Logistics Logistics Centre	Estimate of emissions from transport (Posti and Postnord)	Carbon dioxide emissions taking account of the Logistics Centre operation and its transport/shipments
2017	104.7 tn CO ₂	16.1 tn CO ₂ /1000m ²		
2018	116.4 tn CO ₂	17.9 tn CO ₂ /1000m ²	406 tn CO ₂	522.4 tn CO ₂

Specific carbon dioxide emissions from the use of fossil fuels in the sale of electricity by Vantaan Energia Oy were 223 g/kWh (244).

Waste reduction

In 2018 the total waste produced at HUS Logistics was around 43 tonnes, of which general waste accounted for about 50%. In 2019 we are embarking on a programme of plastic waste collection in the Logistics Centre warehouse and in the areas where staff take their breaks. This is expected to reduce the amount of mixed waste produced significantly. Volumes of plastic waste will be monitored and in the future we will be comparing the amount of mixed waste produced each year in the annual sustainability report. We will also aim to monitor the proportion of plastic for reuse by requiring our partners to file reports. Our goal is to halve the amount of mixed waste produced in 2019.

The HUS Logistics sustainability group in 2018 promoted the goal to reduce waste in the following ways:

- Acquisition of durable towels for the HUS Logistics toilets (approx. 20% less paper used)
- Report on the acquisition of a waste compactor for the recycling of plastic
- Review of the waste guidelines with all staff over coffee (50 staff attended)

In addition, the sustainability group explored the possibility of piloting the use of durable crates in some HUS Logistics consignments. We will continue to look into this in 2019.

Our goal is to halve the amount of mixed waste produced in 2019.

Table 10. Waste by waste type

Waste type	2018 (tn)	2017 (tn)
Metal	0.33	-
Glass	0.25	0.82
Cardboard	14.08	13.22
Waste paper	4.14	6.07
Biowaste	2.59	2.49
Mixed waste	21.89	21.31
Total	42.98	43.99

REPORTING PRINCIPLES

Description of the reporting process

The HUS Logistics sustainability report for 2018 is the organisation's first corporate sustainability report drawn up in line with GRI standards. It is a core option report and, at the same time, a template for future sustainability work. In future the report will be published yearly with the financial report. It will be posted on the HUS Logistics website and there will be a printed version. The report will be referred to in communications with interest groups in letters to clients, staff newsletters, etc.

Reporting scope

The sustainability report contains the key indicators describing social sustainability on the part of HUS Logistics (envi-

ronmental, social and financial impacts) in the period 1.1.2018-31.12.2018. The indicators describe the work of HUS Logistics and the Logistics Centre in Vantaa, the consignments that leave there, and its competitive tendering processes with respect to procurement. The corresponding indicators describing the activities of HUS as a whole can be found in the HUS environmental report out every year.

Environmental sustainability

In the area of environmental sustainability our report covers the effects of procurement (environmental criteria in procurement) and the energy consumption, emissions and waste produced in connection with the work of the Vantaa Logistics Centre. The baseline data

for monitoring energy use and waste is obtained from HUS-Kiinteistöt Oy, which is responsible for the buildings, and the HUS Environmental Centre. Carbon dioxide emissions from transport are obtained from the reports of the service suppliers responsible for transport.

Social sustainability

In the area of social sustainability we report on all the key indicators related to the staff and the effects of procurement on human rights (social sustainability criteria in procurement). Staff numbers are limited to the HUS Logistics operation and personnel.

Certification

Our sustainability report is not certified by an independent third party.



GRI CONTENT INDEX

HUS Logistics reports on its corporate sustainability in accordance with the core option in the GRI reporting guidelines for 2016. Reporting involves the general type of reporting with reference to GRI standards, the sections on the management approach and the standard clauses on the environment, society and finances relevant to HUS Logistics.

GRI Standards number		Page	Comments
Organisation			
102-1	Name of the organisation filing the report	Front cover	
102-2	Activities, brands, products and services	p. 4	
102-3	Location of the organisation's headquarters	Back cover	
102-4	Location of operations	p. 4	
102-5	Ownership and legal form	p. 4	
102-6	Markets, sectors	p. 4	
102-7	Scale of the organisation filing the report	p. 4	
102-8	Information on employees and other workers	pp. 4, 17	
102-9	Supply chain	pp. 4, 10, 12-15	
102-10	Significant changes to the organisation and its supply chain	pp. 4, 12-15	
102-11	Precautionary Principle or approach	p. 5 , GRI index assessing	We adhere to the Precautionary Principle in everything we do by, for example, the key impacts on the environment and human rights that our procurement processes have.
102-12	Principles and initiatives of external suppliers approved or promoted by the organisation	pp. 4, 6, 8	
102-13	Membership of associations and lobbying organisations	pp. 6, 8	
Strategy			
102-14	Director's statement	pp. 5-6	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	p. 5	HUS Strategy

Governance			
102-18	Governance	pp. 13, 16-17, 21, HUS Annual Report 2018	
Interest group engagement			
102-40	List of interest groups	p. 9	
102-41	Staff covered by collective agreements	p. 17	
102-42	Identifying and selecting interest groups	p. 8	
102-43	Approach to interest group engagement	p. 8	
102-44	Key topics and concerns raised by interest groups	p. 8	
Reporting practice			
102-45	Entities included in the consolidated financial statements	p. 24	
102-46	Defining report content and topic boundaries	p. 24	
102-47	List of material topics and their boundaries	pp. 5-6, 24	
102-48	Restatements of information	pp. 5, 24	
102-49	Changes in reporting and topic boundaries	p. 24	
102-50	Reporting period	pp. 5, 24	
102-51	Date of most recent report	p. 24	
102-52	Reporting cycle	pp. 5, 24	
102-53	Contact point for questions regarding the report	GRI index	Project Manager Riikka Juuma, riikka.juuma@hus.fi
102-54	Claims of reporting in accordance with the GRI Standards	p. 24	
102-55	GRI content index	p. 26	
102-56	External assurance	p. 24	
Management approach			
103-1	Explanation of the material topic and its boundary	p. 24	
103-2	The management approach and its components	pp. 13, 16-17, 21	
103-3	Evaluation of the management approach	pp. 13, 16-17, 21	

Economic standards			
Economic performance			
201-1	Direct Economic value generated and distributed	pp. 10-11, HUS Financial Statements 2018	
Anti-corruption			
205-3	Confirmed incidents of corruption and actions taken	GRI index	No confirmed cases in 2018.
Anti-competitive behaviour			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	GRI index	No legal actions in 2018.
Environmental standards			
Energy			
302-1	Energy consumption within the organisation	p. 22	
Emissions			
305-1	Direct (Scope 1) GHG emissions	pp. 22-23	
Waste			
306-2	Waste by type and disposal method	p. 23	
Environmental compliance			
307-1	Non-compliance with environmental laws and regulations	GRI index	No cases in 2018.
Social standards			
Employment			
401-1	New employee hires and employee turnover	p. 17	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		
401-3	Parental leave	p. 18	
Occupational health and safety			
403-1	Occupational health and safety management system	p. 16	
403-2	Hazard identification, risk assessment, and incident investigation	p. 19	
403-3	Occupational health services	pp. 19-20	
403-4	Worker participation, consultation, and communication on occupational health and safety	pp. 18, 20, GRI index	
403-5	Worker training on occupational health and safety	p. 20	
403-6	Promotion of worker health	pp. 19-20	

403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pp. 12-14		
403-9	Work-related injuries	p. 19		
403-10	Work-related ill health	p. 19		
Training and education				
404-3	Percentage of employees receiving regular performance and career development reviews	p. 20		
Non-discrimination				
406-1	Percentage of employees receiving regular performance and career development reviews	GRI index		No reported incidents of discrimination in 2018.
Supplier social assessment				
414-1	New suppliers that were screened using social criteria	p. 15		
Socioeconomic compliance				
419-1	Non-compliance with laws and regulations in the social and economic area	GRI index		No non-compliance in the social and economic area in 2018.

HUS Helsinki University Hospital treats over half a million patients every year. HUS employs 25,000 professionals to provide the best possible care for all patients. We are responsible for the specialist care of the residents of 24 member municipalities. We are also a national centre for the treatment of many rare and serious conditions.

HUS is the largest health care operator in Finland and the second largest employer in the country. Our skills and expertise are well known and recognised internationally. As a university hospital we continuously re-examine and develop our treatment methods, work and activities.

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