



COLLECTIVE AGREEMENT

FOR SENIOR SALARIED EMPLOYEES
IN TECHNOLOGY INDUSTRIES

2023 - 2024



Technology Industry
Employers of Finland



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CONTENT

MINUTES OF THE SIGNING OF THE COLLECTIVE AGREEMENT	5
COLLECTIVE AGREEMENT	12
1 SCOPE OF APPLICATION OF THE COLLECTIVE AGREEMENT	12
2 REMUNERATION	12
2.1 Salary	12
2.2 Salary policy.....	13
3 WORKING TIME	14
3.1 Regular working time	14
3.2 Changes to working time systems.....	15
3.3 Flexible working hours.....	15
3.4 Additional work and overtime work.....	15
3.5 Derogations from provisions on working time	16
4 TRAVEL AND TRAINING	17
4.1 Compensation for travel expenses	17
4.2 Travel during time off	17
4.3 Vocational training.....	18
5 ANNUAL LEAVE AND HOLIDAY BONUS.....	19
5.1 Holiday pay	19
5.2 Holiday bonus.....	19
6 ABSENCES	19
6.1 Incapacity for work.....	19
6.2 Pregnancy leave and parental leave	20
6.3 Illness of a child	21
6.4 Military reserve training.....	22
7 LOCAL CO-OPERATION AND DISPUTE RESOLUTION.....	22
7.1 Local bargaining	22
7.2 Dialogue.....	23
7.3 Shop steward.....	23
7.4 Health and safety representative	29
7.5 Right of assembly	30
7.6 Negotiating procedure.....	30



8	INDUSTRIAL PEACE	30
8.1	Duty to maintain industrial peace	30
8.2	Conciliation Board	31
9	BINDING NATURE AND VALIDITY OF THE COLLECTIVE AGREEMENT	31
9.1	Binding nature of the agreement	31
9.2	Agreement validity	32
APPENDIX 1		
	AGREEMENT ON PROTECTION AGAINST TERMINATION.....	33
1	Scope of application	33
2	General provisions governing the termination of employment..	34
2.1	Notice periods.....	34
2.2	Re-employment leave	34
2.3	Failure to observe the notice period	35
2.4	Notice of termination of employment contract	35
2.5	Notification of the grounds for termination of employment contract	36
3	Termination of employment contract and lay-off for reasons pertaining to the individual senior salaried employee	36
3.1	Grounds for termination	36
3.2	Grounds for cancellation.....	37
3.3	Grounds for deeming an employment contract to be cancelled.....	37
3.4	Lay-off for reasons pertaining to an individual senior salaried employee or related to a senior salaried employee's person..	37
3.5	Terminating an employment contract.....	37
3.6	Hearing.....	37
4	Lay-off and termination of employment contract due to financial or production-related reasons or due to reasons related to the reorganisation of the employer's operations.....	38
4.1	Negotiating procedure	38
4.2	Termination of employment	40
4.3	Lay-off.....	41



5	Compensation for unjustified termination of employment and unjustified lay-off of a senior salaried employee	44
5.1	Infringement of grounds	44
5.2	Single compensation principle	45
5.3	Breach of procedural regulations.....	45
5.4	Relationship between compensation and compensatory fines	45
6	Dispute resolution procedure	45
7	Statute of limitations	46
8	Entry into force	46
APPENDIX 2		
	SURVIVAL CLAUSE	47
APPENDIX 3		
	MINUTES CONCERNING THE DISPUTE RESOLUTION BOARD REFERRED TO IN CLAUSE 5.2 OF THE COLLECTIVE AGREEMENT	49
APPENDIX 4		
	MINUTES ON WORKING TIME BANKS	51
APPENDIX 5		
	TELECOMMUTING INSTRUCTIONS	54



**Technology Industry Employers of Finland
Federation of Professional and Managerial Staff (YTN)**

Minutes of the signing of the collective agreement

Date 15 February 2023

Place Technology Industry Employers of Finland, Eteläranta 10, Helsinki

Present	Technology Industry Employers of Finland	Federation of Professional and Managerial Staff (YTN)
	Jarkko Ruohoniemi	Teemu Hankamäki
	Johanna Laine	Hannu Takala
	Nora Wetterstrand	Petteri Oksa
	Jaakko Aromaa	Tuula Aaltola
		Hannu Hallamaa
		Tage Lindberg

1 § Signing of the collective agreement

It was noted that the federations today signed a collective agreement (including appendices) that corresponds to the National Conciliator's settlement proposal 14 February 2023.

The contents of the agreement shall take effect on 15 February 2023, unless the relevant agreement section stipulates otherwise regarding the entry into force.

2 § Method and timeline of implementing the salary adjustments and amount of increase

SALARY ADJUSTMENTS IN 2023

Negotiations on the salary settlement and its grounds

The salary settlement shall be negotiated locally, while taking into account the financial situation, order book and employment situation of the company or workplace and its cost competitiveness in the market. In good time before the start of local negotiations, the employer shall provide the shop steward with the required information on the financial situation, order book and employment situation of the company or workplace and with information on their anticipated development. It would also be appropriate to provide



information on the grounds for the proposed salary settlement to be used as the basis for negotiations.

The aim of the local negotiations is to reach a salary settlement that fits the circumstances and needs of the company or workplace, which may differ from the cost impact and structure referred to in this collective agreement. The intention is also to support motivating salary formulation, an equitable salary structure and salary grading and the improvement of productivity at the workplace.

1. Local salary settlement

Matters to be agreed upon in a local salary settlement include the implementation method, schedule and scale of salary adjustments. The agreement shall be signed with the shop steward or, if a shop steward has not been elected, with the senior salaried employees in a manner jointly agreed by them. The agreement shall be made in writing by 15 March 2023, unless an extended bargaining period is agreed upon.

The shop steward shall have the right to be provided with a report on the allocation of the locally agreed salary settlement within a reasonable time from the salary increases. Unless otherwise agreed in connection with the local settlement, the report must include the number of senior salaried employees, the number of persons who received an increase, the average increase and the total amount of salary increases for senior salaried employees (payroll for the senior salaried employees before and after the increase). When providing the report, the provisions on the protection of privacy must be taken into account.

2. Method of implementing salary adjustments in the absence of a local salary settlement

If a local salary settlement is not reached in accordance with clause 1, the 2023 salary adjustments shall be carried out in one of the two ways referred to below (A or B). The manner in which the salary adjustment is carried out (A or B) shall be agreed with the shop steward or, if no shop steward has been elected, with the senior salaried employees in a manner jointly agreed by them. If no agreement is reached, the employer shall implement the salary settlement in accordance with option A.

Option A

In 2023, the employer will implement a salary settlement the total cost impact of which is 4.5%. The salary settlement consists of a



lump sum payment (cost impact 1.0%) and salary adjustments carried out in accordance with the employer's pay policy (cost impact 3.5%). The salary settlement is implemented as follows:

Lump sum

Senior salaried employees are paid a lump sum of 12.5% calculated based on their monthly salary for February, including fringe benefits. The lump sum does not increase the salary that is paid to a senior salaried employee.

The payment of the lump sum requires that the continuous employment relationship of the senior salaried employee started no later than on 1 February 2023 and that it is valid at the time the lump sum is paid. For an individual who is employed on a part-time basis, the lump sum is calculated in proportion to the agreed working time and full working time. The lump sum will be paid on the regular payday of March 2023.

Pay adjustments

In addition to the lump sum payment, the employer implements, in accordance with the company's pay policy, a salary adjustment having a cost impact of 3.5% no later than from 1 April 2023 or from the beginning of the next pay period starting thereafter. The cost impact (3.5%) is calculated from the March payroll for senior salaried employees, including fringe benefits. When allocating salary increases, the employer must ensure that each senior salaried employee's salary, including fringe benefits, is increased by at least 3.0%.

The purpose of salary adjustments is to support motivating salary formulation, equitable salary structures and salary grading, help improve productivity at workplaces, support the implementation of the employer's pay policy and correct any distortions that may exist. The professional skills and work performance of senior salaried employees shall be the guiding factors affecting the distribution of personal salary increases.

The shop steward shall have the right to be provided, within a reasonable time from the salary increases, with a report on the allocation of the salary settlement implemented by the employer. The report must include the number of senior salaried employees, the number of persons who received an increase, the average increase and the total amount of salary increases for senior salaried employees (payroll for the senior salaried employees before and after the increase).



Option B

The employer will implement the salary settlement in accordance with the company's pay policy no later than from 1 April 2023 or from the beginning of the next pay period starting thereafter.

The purpose of salary adjustments is to support motivating salary formulation, equitable salary structures and salary grading, help improve productivity at workplaces, support the implementation of the employer's pay policy and correct any distortions that may exist.

Senior salaried employees will be provided with information on the employee's personal salary adjustment amount and the grounds for it within two months of the implementation of the salary adjustment, but no later than on 31 August 2023. Such information will be provided to each senior salaried employee regardless of whether the senior salaried employee has received an increase.

The shop steward shall have the right to be provided, within a reasonable time from the salary adjustments, with a report on the allocation of the salary settlement implemented by the employer. The report must include the number of senior salaried employees, the number of persons who received an increase, the average increase, the total amount of salary increases for senior salaried employees (payroll for the senior salaried employees before and after the increase) and the main principles for allocating increases.

SALARY ADJUSTMENTS IN 2024

Negotiations on the salary settlement and its grounds

The salary settlement shall be negotiated locally, while taking into account the financial situation, order book and employment situation of the company or workplace and its cost competitiveness in the market. In good time before the start of local negotiations, the employer shall provide the shop steward with the required information on the financial situation, order book and employment situation of the company or workplace and with information on their anticipated development. It would also be appropriate to provide information on the grounds for the proposed salary settlement to be used as the basis for negotiations.

The aim of the local negotiations is to reach a salary settlement that fits the circumstances and needs of the company or workplace, which may differ from the cost impact and structure referred to in this collective agreement. The intention is also to support motivating salary formulation, an equitable salary structure



and salary grading and the improvement of productivity at the workplace.

1. Local salary settlement

Matters to be agreed upon in a local salary settlement include the implementation method, schedule and scale of salary adjustments. The agreement shall be signed with the shop steward or, if a shop steward has not been elected, with the senior salaried employees in a manner jointly agreed by them. The agreement shall be made in writing by 19 January 2024, unless an extended bargaining period is agreed upon.

The shop steward shall have the right to be provided with a report on the allocation of the locally agreed salary settlement within a reasonable time from the salary increases. Unless otherwise agreed in connection with the local settlement, the report must include the number of senior salaried employees, the number of persons who received an increase, the average increase and the total amount of salary increases for senior salaried employees (payroll for the senior salaried employees before and after the increase). When providing the report, the provisions on the protection of privacy must be taken into account.

2. Method of implementing salary adjustments in the absence of a local salary settlement

If a local salary settlement is not reached in accordance with clause 1, the 2024 salary adjustments shall be carried out in one of the two ways referred to below (A or B). The manner in which the salary adjustment is carried out (A or B) shall be agreed with the shop steward or, if no shop steward has been elected, with the senior salaried employees in a manner jointly agreed by them. If no agreement is reached, the employer shall implement the salary settlement in accordance with option A.

Option A

In 2024, the employer will implement a salary settlement the total cost impact of which is 2.5%. The salary settlement is implemented as follows:

Pay adjustments

The employer implements, in accordance with the company's pay policy, a salary adjustment having a cost impact of 2.5% no later than from 1 February 2024 or from the beginning of the next pay period starting thereafter. The cost impact (2.5%) is calculated from the January payroll for senior salaried employees, including



fringe benefits. When allocating salary increases, the employer must ensure that each senior salaried employee's salary, including fringe benefits, is increased by at least 1.3%.

The purpose of salary adjustments is to support motivating salary formulation, equitable salary structures and salary grading, help improve productivity at workplaces, support the implementation of the employer's pay policy and correct any distortions that may exist. The professional skills and work performance of senior salaried employees shall be the guiding factors affecting the distribution of personal salary increases.

The shop steward shall have the right to be provided, within a reasonable time from the salary increases, with a report on the allocation of the salary settlement implemented by the employer. The report must include the number of senior salaried employees, the number of persons who received an increase, the average increase and the total amount of salary increases for senior salaried employees (payroll for the senior salaried employees before and after the increase).

Option B

The employer will implement the salary settlement in accordance with the company's pay policy no later than from 1 February 2024 or from the beginning of the next pay period starting thereafter.

The purpose of salary adjustments is to support motivating salary formulation, equitable salary structures and salary grading, help improve productivity at workplaces, support the implementation of the employer's pay policy and correct any distortions that may exist.

Senior salaried employees will be provided with information on the employee's personal salary adjustment amount and the grounds for it within two months of the implementation of the salary adjustment, but no later than on 31 August 2024. Such information will be provided to each senior salaried employee regardless of whether the senior salaried employee has received an increase.

The shop steward shall have the right to be provided, within a reasonable time from the salary adjustments, with a report on the allocation of the salary settlement implemented by the employer. The report must include the number of senior salaried employees, the number of persons who received an increase, the average increase, the total amount of salary increases for senior salaried employees (payroll for the senior salaried employees before and after the increase) and the main principles for allocating increases.



3 § **Training and the development of the collective agreement**

The federations shall establish a working group to consider matters pertaining to the collective agreement in accordance with the principle of continuous negotiation, with a view to improving enterprise competitiveness and the terms of employment of senior salaried employees, and to take any measures that may be required. The working group shall also promote the effective settlement of disputes with particular emphasis on clarification of dispute practices and aim to continuously maintain and strengthen good negotiation and co-operation relationships between the parties.

The working group intends to contribute to the correct implementation of existing obligations with regard to change negotiations and temporary lay-offs and prevent disagreements linked to them. For this purpose, the federations shall organise training in change negotiations and temporary lay-offs in a jointly agreed manner. The working group shall also review the effects that changes in labour law have on the collective agreement.

The federations recognise the importance of improving well-being at work and productivity in workplaces. To support this goal, the working group shall study and consider ways of improving well-being at work and productivity in workplaces.

4 § **Support measures**

YTN undertakes to ensure that senior salaried employees working in technology industries will not, during the validity of this agreement, take sympathetic action to pressure other industries into joining collective agreements.

Examination of the minutes

It was agreed that Jarkko Ruohoniemi, Teemu Hankamäki and Hannu Takala will examine these minutes.

In witness thereof

Johanna Laine

Minutes examined by

Jarkko Ruohoniemi

Teemu Hankamäki

Hannu Takala



**Technology Industry Employers of Finland
Federation of Professional and Managerial Staff (YTN)**

COLLECTIVE AGREEMENT

1 SCOPE OF APPLICATION OF THE COLLECTIVE AGREEMENT

The collective agreement shall apply to senior salaried employees of member companies of Technology Industry Employers of Finland. The duties of a senior salaried employee require knowledge and skills of a standard corresponding to university education or higher-level professional education.

This collective agreement shall not apply to persons belonging to or contributing to the direction of an enterprise or branch or to comparable experts assisting in such direction, or to persons who represent the enterprise in matters relating to employment with respect to senior salaried employees and who have the right or who are authorised to decide on the terms of employment of senior salaried employees.

The nature of the duties of senior salaried employees is different from the duties referred to in the collective agreement for other salaried employees in the technology sector. The duties of senior salaried employees typically involve a relatively high degree of independence and responsibility. In practice, the work of a senior salaried employee in an enterprise is to assist its management, to perform supervisory duties of middle management, or to perform expert duties that require specialised knowledge and skills. Formal educational qualifications or the lack thereof shall not, however, alone determine whether a person is a senior salaried employee. The function of a senior salaried employee is more demanding than functions falling within the scope of the collective agreement for other salaried employees in the technology industries.

2 REMUNERATION

2.1 Salary

The salary of a senior salaried employee shall be agreed in the individual contract of employment, while taking into account the



demands of the position and the employee's education and professional qualifications. Part of the overall earnings may be determined on the basis of variable salary factors defined specifically for the individual place of work.

2.2 Salary policy

The salary policy applicable to the staff shall be determined within the enterprise. The federations recommend that salaries be graded according to the demands of the work and that a salary policy seeking to reward job performance and to improve enterprise efficiency and profitability be based either wholly or partly on the following principles:

The salary policy should:

- build on the business idea of an enterprise and support its implementation;
- support the development of the enterprise's efficiency, profitability and competitiveness;
- be individual, allowing for the demands of the individual's duties and the individual's responsibilities, competence and performance;
- reward for individual abilities and skills such as information management, management skills, judgement, initiative, innovation and cooperative skills;
- incentivise individuals to deepen and broaden their professional skills;
- support the implementation of any common objectives set for the work community and collaboration across boundaries of functions and personnel groups;
- require that management and supervisors agree with their subordinates on objectives and monitor their implementation;
- be of clear, long-term and consistent nature, while allowing for flexibility when required by the enterprise's operating conditions or business idea;
- have remuneration criteria that are independent of gender, age and other corresponding factors not pertaining to the work.

A prerequisite for a successful salary policy is that there is a common understanding of its principles and that a senior salaried employee and a supervisor hold an annual discussion on job performance and its influence on salary and specify the future work duties and the related objectives.



Minuted note:

The salary policy section is by nature a recommendation/procedural guideline, and deviations from it shall not be deemed an infringement referred to in the Collective Agreements Act.

The federations shall jointly seek to assist enterprises when they develop their salary policies.

3 WORKING TIME

3.1 Regular working time

The length of regular working time shall be agreed in the employment contract and arranged in accordance with the Finnish Working Time Act. Regular working time shall not exceed eight hours per working day or 40 hours per working week. Working hours may be agreed on the basis of an average.

While the maximum limits on daily and weekly working hours may be agreed locally for senior salaried employees falling within the scope of the Working Time Act, working hours must average out at the agreed number over a period not exceeding one year.

When using average working hours, a schedule of working hours shall be prepared in advance covering the period over which the working hours must average out at the regular number. Averaging of working hours shall be effected over a period not exceeding one year. Longer averaging periods may be agreed upon in a working time bank agreement.

On a weekend between two consecutive working weeks, weekly rest may be granted as a continuous period which is included partly in the first working week and partly in the second working week, provided that the majority of the weekly rest is included in the week the weekly rest is related to.

Minuted note:

The federations have prepared joint telecommuting instructions (Appendix 5).



3.2 Changes to working time systems

Unless otherwise agreed locally, the salaried employees concerned shall be notified of any permanent change in the current working time system no later than two weeks before the change takes effect and of any temporary change, wherever possible, no later than one week before the change takes effect and always no later than three days prior to the change.

3.3 Flexible working hours

Derogations from the Working Time Act may be agreed locally concerning arrangements related to flexible working hours, the daily limits for flexible working hours and the maximum accumulation of hours, but so that the accumulation may not exceed 120 hours. The reference period for flexible working hours referred to in the Working Time Act, shall be 12 months unless otherwise agreed locally.

Minuted note:

Employers may agree with senior salaried employees who have accumulated a surplus of working hours through a flexible working hours scheme to lower their surplus by taking paid leave. Employers should endeavour to give such leave as full days off if the senior salaried employee in question requests it. A flexible working hours agreement that is in force until further notice may be terminated so that it ends at the end of the reference period during which the notice is given. Fixed-term agreements of more than one year may be terminated after the first four (4) months in the same way as agreements that are in force until further notice.

3.4 Additional work and overtime work

Overtime work shall mean work performed on the employer's orders and with the consent of the senior salaried employee in addition to the regular working hours specified in the schedule of working hours, but not insofar as the regular working time is shorter than an average of eight hours per day and 40 hours per week.

The reference period for maximum working time referred to in the Working Time Act shall be 12 months unless a shorter period is agreed locally.



Overtime compensation and additional work shall be governed by the provisions of the Working Time Act.

It may be agreed locally that additional work, overtime work and Sunday work is compensated for with a separate fixed monthly compensation based on the estimated amount of such work.

3.5 Derogations from provisions on working time

3.5.1 By local agreement

The stipulations concerning working time laid down in section 3 of the collective agreement and individual employment contracts may be derogated from by local agreement. However, the parties shall observe in all cases the mandatory provisions of the Working Time Act.

When devising such local arrangements, the need for the arrangement, the benefits of the arrangement for the enterprise and the needs of the parties in respect of working time shall be discussed and the implementation method and compensation shall be agreed. If it is locally agreed that working hours may be scheduled on midweek public holidays, Sunday bonus pursuant to the Working Time Act shall not be paid for work performed on a midweek public holiday, unless otherwise agreed. The purpose of locally agreed arrangements is to advance working time arrangements that promote the profitability and competitiveness of the enterprise and support the consideration of senior salaried employees' individual needs regarding working time.

3.5.2 On employer's orders

Notwithstanding section 3 of the collective agreement and the provisions of individual employment contracts and in addition to what is agreed therein, the employer may assign a maximum of 16 additional regular working hours per calendar year to each senior salaried employee. Such work is assigned when necessary for production-related reasons. Additional working hours may not be scheduled on midweek public holidays or on the Saturday of a week that includes a midweek public holiday. A basic rate of pay on top of the monthly salary shall be paid for additional regular working hours. A senior salaried employee may refuse to work on the employer's orders referred to in this paragraph on a case-by-case basis for proper and weighty personal reasons.



4 TRAVEL AND TRAINING

4.1 Compensation for travel expenses

Unless otherwise agreed locally, the employer shall compensate senior salaried employees for all necessary work-related travel expenses (expenses, daily allowances, mileage allowances) in accordance with the tax-exempt allowances for business travel confirmed by the Tax Administration. However, a prerequisite for paying daily allowance is that the place where work is performed is located at least 40 kilometres from the senior salaried employee's permanent place of work and residence.

4.2 Travel during time off

Any compensation payable for travelling during time off shall be agreed locally.

Compensation for travelling time may, for example, be arranged as follows:

1. Compensation for time spent in travelling outside of regular working hours is agreed as necessary between a supervisor and senior salaried employee. This would occur particularly in situations in which the compensation payable for travelling time pursuant to the collective agreement would be disproportionate to the salary payable.
2. Should duties involve a significant proportion of continual or regularly recurrent travelling outside of regular working hours and the senior salaried employee concerned is, on account of the nature of said duties, in a position to decide on whether said travelling occurs and to determine the use of working hours, then this state of affairs shall be taken into account when determining the salary payable to the senior salaried employee.
3. If a great deal of travelling pertains to temporary duties or to project-type work, then the amount of travelling time accrued by the senior salaried employee shall be monitored. Compensation may be paid for the said travelling time, for example, as a lump sum payment made at regular intervals.



Directive on travelling:

The local parties shall jointly investigate the compensation practices pertaining to the travelling time of senior salaried employees (including the amount of travel, the decision-making process, compensation practices, travel policy) and they shall develop a clear compensation practice where necessary.

The foregoing examples of compensating for time spent on travel may be used in cases where no suitable compensation practices are found locally. One option is to implement the foregoing examples.

Senior salaried employees and their supervisors shall be given adequate information on this matter.

In case of a dispute, the matter may be referred to the federations and to the joint dispute resolution board (Appendix to the collective agreement) in accordance with the negotiating procedure referred to in the collective agreement.

4.3 Vocational training

The federations stress the importance of systematic development of human resources. The employer shall, as necessary, provide senior salaried employees with an annual opportunity to take part in vocational training enabling the maintenance and development of the employee's vocational skills. The need for training may be established, for example, at performance appraisals conducted between the employer and the senior salaried employee.

In addition to regular annual working hours, the employer may assign senior salaried employees a maximum of 8 hours of training per calendar year at the workplace or in another location of the employer's choosing if such training is necessary for the performance of the work and it is of additional or complementary nature or related to the use of devices, well-being at work or safety or if it is a development event for boosting productivity, efficiency or quality. When assigning such training or development events, the senior salaried employees' personal needs regarding working time shall be taken into account, where possible.

Time spent in such training or events shall be counted as regular working hours on top of the regular annual working hours provided for in the collective agreement. Remuneration corresponding to the basic rate of pay shall be paid for time spent in such training or development events. Training or development events may also



be organised as an all-day event. Training or development events shall not be scheduled for mid-week public holidays.

5 ANNUAL LEAVE AND HOLIDAY BONUS

5.1 Holiday pay

Where so agreed, the salary for the annual holiday may be paid on the company's regular pay day.

5.2 Holiday bonus

A holiday bonus amounting to 50% of the holiday pay of the senior salaried employee shall be paid, unless otherwise agreed locally. The holiday bonus shall be paid in connection with the holiday pay, unless otherwise agreed locally.

If a senior salaried employee and the employer agree in writing that a holiday bonus is exchanged for corresponding paid leave, the full holiday bonus for a 24-day (four-week) annual leave shall correspond to a leave of 12 weekdays (two weeks).

Holiday bonus leave shall be granted to a senior salaried employee at the time determined by the employer unless the parties agree on arranging the leave. A senior salaried employee shall earn annual leave during a holiday bonus leave.

6 ABSENCES

6.1 Incapacity for work

If a senior salaried employee is incapacitated for work due to an illness or accident and has not caused such incapacity for work wilfully or through gross negligence, the senior salaried employee shall be entitled to the monthly salary including benefits in kind but excluding salary supplements as follows while the said incapacity for work continues:



If the senior salaried employee has been continuously employed for a period of at least

- one month but less than one year for four weeks
- one year but less than five years for five weeks
- five years or longer for three months.

A senior salaried employee who has become incapacitated for work due to an illness shall be required to notify the employer without delay thereof and of the estimated date on which the said incapacity is expected to end and to present an acceptable account of the said incapacity on request.

Should a senior salaried employee fall ill with the same illness within 30 calendar days of returning to work, the period of the employer's liability for sick pay shall be reckoned as for a single uninterrupted period of illness. Should the same illness recur in the foregoing manner, sick pay shall nevertheless be paid for not less than the waiting period referred to in chapter 8, section 7, subsection 2 of the Finnish Health Insurance Act.

Instructions for application:

In unclear cases, the question of whether an illness is the same illness or a different one shall be resolved by applying the interpretations of the Health Insurance Act.

If a senior salaried employee has concealed an illness from the employer at the time of concluding the employment contract, the employer shall not be obligated to pay salary for the period of illness.

6.2 Pregnancy leave and parental leave

Transitional provision

This provision shall apply from 15 February 2023 to senior salaried employees whose right to pregnancy allowance and parental allowance is determined in accordance with Kela's decision on the basis of the provisions of the Health Insurance Act that entered into force on 1 August 2022.

Pregnancy and parental leave pay

A senior salaried employee's right to pregnancy and parental leave shall be governed by the Employment Contracts Act and Health Insurance Act.



The birthing parent shall receive monthly salary including fringe benefits but excluding salary supplements for a period of 72 weekdays of pregnancy leave and parental leave taken continuously provided that the employment relationship of the senior salaried employee has lasted for a continuous period of at least six months before the expected date of delivery.

The non-birthing parent shall receive monthly salary including fringe benefits but excluding salary supplements for a period of the first 32 weekdays of the parental leave provided that the employment relationship of the senior salaried employee has lasted for a continuous period of at least six months before the expected date of delivery. “Non-birthing parent” means non-birthing parent having parental responsibility in relation to the child, person who has recognized parental responsibility in relation to the child and person who has adopted a child whom a parent is not their spouse, within the meaning of chapter 9, section 5, subsections 1-3 of Health Insurance Act.

The adoptive parent’s entitlement to pay applies to a child who has not reached the age of 7. The duration of continuous employment relationship required to receive pay shall be calculated backward from the adoption date of the adopted child and, in the case of adoptions within the family, the date of confirmation as a parent.

Employer’s right to daily allowance

For the period for which the employer has paid to a senior salaried employee the salary for maternity or paternity leave as specified above, the employer shall be entitled to collect any statutory or agreed daily allowance or comparable benefit payable to the senior salaried employee or to recoup the said amount from the senior salaried employee, however, only up to the amount paid by the employer.

6.3 Illness of a child

In the event of any sudden illness of the senior salaried employee’s child under ten years of age or in the event of a sudden illness of another child under ten years of age living permanently in the same household with the senior salaried employee, no more than four working days of temporary paid leave shall be granted to the parent living in the same household as the child where this is necessary in order to care for the child or to arrange such care. The child’s parent not living in the same household as the child shall have the same right. A prerequisite for granting such paid leave is that both parents are gainfully employed or that the senior salaried



employee is a single parent, and that the child's illness is accounted for in a manner corresponding to the certification required for the senior salaried employee's own illness.

6.4 Military reserve training

It is recommended that enterprises pay sufficient salary to a senior salaried employee for any period of military reserve training so that the reservist pay from the State and salary paid by the employer together correspond to the senior salaried employee's full salary benefits.

7 LOCAL CO-OPERATION AND DISPUTE RESOLUTION

7.1 Local bargaining

7.1.1 Objective of co-operation

Co-operation and local bargaining as an element thereof seeks to maintain and develop enterprise productivity, competitiveness, employment, and the well-being of personnel. Local bargaining is primarily an instrument for improving operations.

The objectives of local bargaining shall be jointly defined at each workplace. In a rapidly changing operating environment, objectives will have to be continually reassessed. The necessary means shall be agreed after the objectives have been clarified.

As an operating mode, local bargaining affects the entire working community. It requires open dialogue that builds trust between the employer and personnel.

7.1.2 Regulations on local bargaining

Local bargaining is possible either between the employer and a senior salaried employee or between the employer and a shop steward representing the senior salaried employees. Any such agreement concluded with the shop steward shall be binding on those senior salaried employees whom the shop steward is deemed to represent. The agreement may be concluded for a fixed term or for an indefinite period of time.

An agreement that is in force indefinitely may be terminated at three months' notice unless some other period of notice has been agreed. Agreements shall be concluded in writing if either of the



parties thereto so requests. Agreements concerning the entire workplace shall always be concluded in writing.

Local agreements referred to herein shall form a part of this collective agreement. It shall continue to be applied even after this collective agreement has expired in other respects. At this time, and within one month after a new collective agreement enters into force, any local agreement concluded for a fixed term may be terminated with three months' notice.

7.2 Dialogue

The joint organisation of dialogue referred to in Chapter 2 of the Act on Co-operation within Undertakings with regard to companies that belong to the same group may be agreed locally.

To achieve the purpose of the Act on Co-operation within Undertakings, the federations recommend that also companies or entities with fewer than 30 employees have meetings regarding dialogue between the employer and the employee representative at least twice a year.

7.3 Shop steward

7.3.1 Purpose of the shop steward system

The purpose of the shop steward system is to create possibilities for co-operation between the enterprise and senior salaried employees and to promote local bargaining and the correct application of the collective agreement.

The shop steward system is also a method to provide senior salaried employees with better influencing opportunities and to improve the productivity of the enterprise. Acting in the role of a shop steward provides a senior salaried employee with the possibility to have comprehensive understanding of the co-operation between the enterprise and its employees, aspects related to the finances and competitiveness of the enterprise and the enterprise's HR operations. A competent shop steward is an important negotiation partner to the enterprise and a contact to senior salaried employees.

7.3.2 Election of shop stewards

The senior salaried employees shall have the right to elect a shop steward and a deputy shop steward, who shall attend to the duties of the shop steward when the shop steward is prevented from



doing so. When electing a shop steward, attention should be paid, among other things, to the capability to attend to the shop steward duties in a responsible and persevering manner and on the ability to communicate and make difficult decisions. Additionally, one should consider the candidates' capabilities regarding training and development that the shop steward duties require.

Before the shop steward is elected, the shop steward's responsibility area considering, in particular, the enterprise's size, organisation and nature of its operations, shall be discussed with the management of the enterprise. The responsibility area shall mean a member organisation of Technology Industry Employers of Finland, a part of the organisation that is deemed logical and in line with the management system or any unit that is mutually agreed. The employer shall be notified of the times at which the deputy shop steward is deputising for the shop steward.

The shop steward and deputy shop steward shall be elected from among the senior salaried employees at the workplace that are within the scope of application of this collective agreement and who belong to organisations that are bound by this collective agreement, and they shall be familiar with the conditions at the workplace. All the senior salaried employees at the workplace shall be given an opportunity to participate in the election. Election arrangements and the election itself shall not interfere with work. The time and location of the election shall be agreed with the employer no later than 14 days before conducting the election. The responsibility for conducting the election shall primarily rest with the incumbent shop steward, a staff association of the Federation of Professional and Managerial Staff (YTN) or the senior salaried employees of the workplace concerned. The time that is necessary for the incumbent shop steward to spend on conducting the election shall count as time spent on the duties of a shop steward.

The term of office shall be at least one year. The employer shall be notified in writing of the shop steward elected at the workplace.

Instructions for application:

If no shop steward has been elected at the enterprise and a need arises to quickly arrange collective co-operation, for example, due to a co-operation process that is to be started in order to reduce workforce, it is possible to organise an election at the company so that the time and location of the election is negotiated with the employer under a more expedited schedule than "no later than 14 days before the election."



7.3.3 Duties and rights of a shop steward

The shop steward shall represent senior salaried employees in matters relating to employment relationships and issues pertaining to the application of this collective agreement. The shop steward shall be provided with the information and preconditions of action that are necessary for attending to the duties. Where required by the size of the workplace, a shop steward shall be entitled to use the normal office equipment and other equipment of the enterprise in order to perform the shop steward duties. The concept of normal office equipment shall also include the IT equipment, any associated software and Internet connections (e-mail) that are generally used in the enterprise. The practical arrangements shall be agreed locally. A reasonable discharge from other duties at work shall be agreed with the shop steward for the purpose of attending to the shop steward duties. This discharge shall be taken into account when arranging the work of the shop steward.

If necessary, the employer shall provide the shop steward and health and safety representative with an appropriate place to store any equipment that they need to perform their duties. The employer shall also, if possible, provide the shop steward and occupational safety and health representative with a suitable space for conducting necessary conversations related to their duties.

The said shop stewards and corresponding deputy shop stewards shall be afforded opportunities and associated benefits similar to those afforded to other shop stewards and deputy shop stewards with respect to participation in training that is jointly approved by the federations and necessary for attending to the duties of a shop steward.

During the term of office of a shop steward, the employer and shop steward shall determine whether the maintenance of the shop steward's professional skills in respect of the shop steward's previous duties or corresponding duties requires any vocational training that is also arranged for other senior salaried employees.



7.3.4 Remuneration of shop stewards

Unless otherwise agreed locally, the employer shall pay a senior salaried employee serving as a shop steward a separate monthly compensation in accordance with the table below:

Number of senior salaried employees represented	Monthly compensation (EUR) as from 1.4.2023	Monthly compensation (EUR) as from 1.2.2024
10-100	126	129
101-200	177	181
201-400	227	233
400+	332	340

7.3.5 Discussion on the objectives and functioning of the bargaining system

The objectives and functioning of the bargaining system shall be regularly discussed at the workplace. The first discussion shall take place within two months of the beginning of the term of office of the shop steward, and further discussions shall take place annually thereafter. The parties to these discussions shall be each shop steward together with the corresponding employer's representative, and where necessary, all of them together. In these discussions, feedback shall be provided by both sides, which shall serve as the basis for efforts to further improve the co-operation. The objectives to be assigned to the bargaining system and the activities of shop stewards shall also be considered together, and attention shall be paid to the manner in which local conditions and the scope of local bargaining affect the statistical information to be provided to the shop steward. Training needs and the related timetable and objectives regarding training related to the shop steward's duties shall also be planned at this time.

7.3.6 Information to be provided to the shop steward

The employer shall ensure that the shop steward is notified at the earliest opportunity of all matters that directly or indirectly affect the senior salaried employees at the workplace in question.

In the event of any uncertainties or disputes concerning issues relating to the employment relationship of a senior salaried employee, the shop steward shall be provided with all information required for investigating the case in question. A shop steward must have the written consent of the senior salaried employee con-



cerned to acquire the information. The written consent may be, for example, an email message.

A shop steward shall have the right to obtain the following details regarding the senior salaried employees that are within the scope of this collective agreement:

1. *Surname and forenames of the senior salaried employee*
2. *Date of entry into the employer's service*
3. *Place of work (the organisational department)*
4. *Pay grade or job requirement category, if the company has such a system in use (the senior salaried employee may, with a written or electronic notice, prohibit the employer from giving this information to the shop steward)*
5. *Statistical heading (used for the employer federation's statistics).*

These details shall be provided at annual intervals. The details under points 1–5 shall be provided in respect of new senior salaried employees at the earliest opportunity and in any case no later than four months after the employment relationship begins.

Statistical data on salaries consisting of a workplace-specific average and median of monthly salaries including benefits in kind shall be provided to the shop steward in writing once a year in respect of senior salaried employees within the scope of this agreement. In addition, average monthly salaries, including benefits in kind, shall be provided by statistical heading (e.g. by the statistical headings of the Confederation of Finnish Industries: operational management, specialists and experts).

Instructions for application:

Having regard to conditions at the workplace, the shop steward may be provided with more extensive statistical information on senior salaried employees than the foregoing, for example, broken down by job requirement or position in the enterprise (operational management, specialists and experts), if possible.

These details shall be provided in writing after the final payroll statistics for the workplace are available. The shop steward shall not have the right to receive salary statistics on groups of fewer than five persons.



The shop steward shall be given the opportunity to review the salary determination and payroll accounting systems for senior salaried employees that are currently used by the enterprise within the said shop steward's area of responsibility. With respect to the senior salaried employees within the shop steward's area of responsibility, the shop steward shall also have the right to review the report on emergency and overtime work and higher rates paid for such work, with such a report drawn up in accordance with the labour legislation.

As information on changes in the workforce, the shop steward shall be given at biannual intervals the number of employees with full capacity for work and the number of senior salaried employees within the scope of this agreement for organisational departments within the shop steward's area of responsibility.

The shop steward shall also be notified of senior salaried employees who have been engaged for a trial period or on fixed-term contracts. Upon separate request, the shop steward shall also be informed of the grounds for concluding a fixed-term employment contract.

A shop steward shall receive the foregoing information in confidence for the purpose of performing the duties of a shop steward. Such information shall not be disclosed to shop stewards in other enterprises, nor may it be otherwise disseminated.

7.3.7 Employment relationship of shop stewards

A shop steward elected in accordance with this collective agreement shall enjoy the protection against termination referred to in chapter 7, section 10 of the Employment Contracts Act. Compensation shall be determined in accordance with chapter 12, section 2 of the Employment Contracts Act. The foregoing protection of a shop steward against termination shall continue for a period of six months from the end of the shop steward's term of office. The foregoing shall likewise apply to the deputy shop steward when the deputy shop steward deputises for the shop steward.

The status of a shop steward shall remain unchanged notwithstanding any transfer of business if the business or part thereof retains its independence. If the shop steward's term of office ends due to a transfer of business, the shop steward shall have the aforementioned protection against lay-offs and termination for six months from the end of the term of office.



The foregoing stipulations on protection against termination shall also apply to a candidate for election as a shop steward at the workplace, whose candidacy has been announced to the employer in writing by a meeting of senior salaried employees following the discussion with the enterprise's management concerning the election of a shop steward. Protection of candidates shall nevertheless begin no sooner than three months before the start of the term of office of the shop steward to be elected and it shall expire with respect to a candidate who is not elected when the outcome of the election has been verified.

The shop steward may not, due the role of shop steward, be assigned to work at pay lower than the pay for the duties the shop steward held at the time when the employee was elected to serve as shop steward.

7.4 Health and safety representative

The health and safety representative shall enjoy the protection against termination and lay-offs referred to in chapter 7, section 10 of the Employment Contracts Act.

The health and safety representative shall have the right to participate during working time in labour protection training jointly approved by the contracting parties. Expenses and any loss of earnings for regular working time incurred as a result of such training shall be reimbursed by the employer.

Unless otherwise agreed, the employer shall pay a senior salaried employee serving as a health and safety representative a separate monthly compensation in accordance with the table below:

Number of salaried employees represented by the health and safety representative	Monthly compensation (EUR) as from 1.4.2023	Monthly compensation (EUR) as from 1.2.2024
5-24	70	72
25-50	76	78
51-100	85	87
101-200	97	99
201-400	109	112
401-600	124	127
600+	144	148



7.5 Right of assembly

Senior salaried employees as a staff group or associations affiliated to the Federation of Professional and Managerial Staff (YTN) may arrange meetings at the workplace outside of working hours to discuss employment-related matters. Provided that the arrangements and procedures for the meeting are agreed in advance with the employer, the organisers of the meeting shall have the right to invite to the meeting representatives of a federation that is a party to this collective agreement and representatives of the relevant national labour and employer confederations.

7.6 Negotiating procedure

Any disputes concerning the application, interpretation or breach of a collective agreement shall primarily be dealt with between the senior salaried employee and their supervisor. If a senior salaried employee has not been able to agree on a matter concerning their terms of employment with their supervisor, the senior salaried employee shall have the right to refer the matter to a senior supervisor. If no agreement is reached, the matter may be referred to the shop steward and the employer's representative. If either party proposes local bargaining, such bargaining shall be started no later than one week from the time the proposal was made.

If no agreement is reached locally on a matter that is within the scope of the obligation to negotiate, a memorandum of disagreement shall be drawn up at the request of either party, after which the matter may be referred to the Federation of Professional and Managerial Staff (YTN) and Technology Industry Employers of Finland for negotiations.

8 INDUSTRIAL PEACE

8.1 Duty to maintain industrial peace

Industrial actions that seek to amend this collective agreement or any individual stipulation thereof shall be prohibited during the term of this agreement. The federations and their affiliated associations shall be required to ensure that their member sub-associations, employers and senior salaried employees bound by this agreement refrain from engaging in any industrial action or otherwise infringing the terms of the collective agreement.



8.2 Conciliation Board

No decision concerning industrial action or other means of exerting pressure may be taken until the Conciliation Board of Technology Industry Employers of Finland and the Federation of Professional and Managerial Staff (YTN) has reviewed the labour dispute in question and until a proposal made by the Conciliation Board to revise this agreement accordingly has been rejected by one of the parties.

The Conciliation Board shall submit its proposal within two weeks of the date on which its Chair was notified of the labour dispute. The Conciliation Board shall not be bound by the provisions of the Finnish Arbitration Act.

Both parties shall appoint one member of the Conciliation Board, and the members shall choose the Chair. The term of office of a member of the Conciliation Board shall be three years at a time. A person who could be disqualified under the Arbitration Act may nevertheless serve as a member of the Conciliation Board. Technology Industry Employers of Finland and the Federation of Professional and Managerial Staff (YTN) shall each be liable for one half of the emoluments payable to the members of the Conciliation Board and for one half of any other expenses of the Conciliation Board.

9 BINDING NATURE AND VALIDITY OF THE COLLECTIVE AGREEMENT

9.1 Binding nature of the agreement

This collective agreement shall bind the signatory federations and their affiliated associations as well as employers and senior salaried employees that are or have been members of the said associations during the term of the agreement.

The parties bound by the agreement shall be obligated to strictly comply with this agreement by ensuring that their affiliated associations and the employers and senior salaried employees belonging thereto do not infringe its stipulations.



9.2 Agreement validity

This collective agreement shall enter into force on 15 February 2023 and remain in force until 30 November 2024, and thereafter it shall continue to be in force until further notice subject to a two-month notice period for termination. The stipulations of the agreement shall nevertheless remain in force upon its expiry until a proposal submitted by the aforementioned Conciliation Board is approved or rejected.

Helsinki, 15 February 2023

TECHNOLOGY INDUSTRY EMPLOYERS OF FINLAND

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Federation of Professional and Managerial Staff (YTN)**

Appendix 1 **Agreement on protection against termination**

1 **Scope of application**

This agreement governs the termination of a permanent employment contract, lay-off of a senior salaried employee, cancellation of an employment contract and deeming an employment contract to be cancelled.

The agreement also governs the resignation of a senior salaried employee and the procedures to be followed when terminating an employment contract and laying off a senior salaried employee.

Instructions for application:

This agreement shall not apply to the termination of employment contracts or lay-offs of senior salaried employees on the following grounds:

- *cancellation of an employment contract during a trial period (chapter 1, section 4 of the Employment Contracts Act),*
- *corporate debt restructuring (chapter 7, section 7 of the Employment Contracts Act), or*
- *bankruptcy or death of the employer (chapter 7, section 8 of the Employment Contracts Act).*

The procedural regulations of sections 2.4 and 2.5 of this agreement shall nevertheless apply to the termination of an employment contract on the foregoing grounds, and the procedure agreed in section 3.6 herein shall be followed in cases of rescission of employment contract during a trial period.

In addition, this agreement shall not apply to apprenticeships referred to in the Finnish Act on Vocational Education and Training.



2 General provisions governing the termination of employment

2.1 Notice periods

Notice periods for terminating an employment contract shall be determined in accordance with the provisions of the Employment Contracts Act that is in force at the given time.

Minuted note:

Lay-off notice periods are set out in section 4.3.3 of this agreement.

2.2 Re-employment leave

Unless otherwise agreed by the employer and the senior salaried employee after the employer has terminated the employment contract on grounds referred to in chapter 7, section 3 of the Employment Contracts Act, the senior salaried employee shall be entitled to a leave of absence on full salary for the purpose of participating, during the said employee's period of notice, in the preparation of an employment plan referred to in the Act on Public Employment and Business Service (916/2012) and in measures referred to in chapter 7, section 12, subsection 1 of the Employment Contracts Act.

The length of the re-employment leave shall be determined on the basis of the length of the notice period as follows:

- 1) no more than a total of five working days if the notice period does not exceed one month;
- 2) no more than a total of 10 working days if the period of notice is longer than one month but does not exceed four months;
- 3) no more than a total of 20 working days if the period of notice exceeds four months.

In addition to the foregoing, a senior salaried employee shall be entitled to no more than five working days of re-employment leave for labour political adult education and for related traineeship and on-the-job training under an employment plan.

Before taking the re-employment leave or a part thereof, the senior salaried employee shall notify the employer of the leave and



of the grounds for it at the earliest possible opportunity and the senior salaried employee shall present a reliable account on the grounds for each leave upon request.

The taking of re-employment leave may not substantially inconvenience the employer.

Instructions for application:

“Working days” shall mean working days according to the schedule of working hours. The total entitlement to re-employment leave may also be taken in parts of a working day.

2.3 Failure to observe the notice period

An employer who fails to observe the period of notice when terminating an employment contract shall compensate the senior salaried employee by paying full salary for a period corresponding to the period of notice.

Should a senior salaried employee resign without observing the notice period, the said senior salaried employee shall be liable to pay to the employer a non-recurring amount corresponding to the salary for the notice period as compensation for failure to observe the notice period. The employer may withhold the said sum from the final salary payment payable to the senior salaried employee, while complying with the provisions of chapter 2, section 17 of the Employment Contracts Act governing the employer’s right of set-off.

If either of the parties has failed to observe only part of the notice period, the duty to pay compensation shall concern a corresponding proportion of the salary for the notice period.

2.4 Notice of termination of employment contract

The notice of termination of employment contract shall be provided to the employer, the employer’s representative or the senior salaried employee in person. If this is not possible, the notice may be delivered by letter or electronically. The recipient shall be deemed to have been informed of such a notice no later than on the seventh day following the date the notification was sent.

When submitting a notice of termination of employment contract by letter or electronically, the grounds for termination referred to in chapter 1, section 4 and chapter 8, section 1 of the Employment



Contracts Act shall be deemed to have been invoked within the agreed or prescribed period if the notice was sent by post or electronically within the said period.

If, however, the senior salaried employee is on annual leave referred to in legislation or an agreement, or on a period of leave of no less than two weeks granted in order to achieve an average number of working hours, termination of employment contract through a notice sent by letter or electronically shall be deemed to have been delivered no earlier than on the day following the end of the said period of leave or time off.

2.5 Notification of the grounds for termination of employment contract

At the request of a senior salaried employee, the employer shall notify the employee in writing and without delay of the date on which the employment contract ends and of the grounds for termination or rescission that are known to the employer and constitute the basis for terminating the employment contract.

3 Termination of employment contract and lay-off for reasons pertaining to the individual senior salaried employee

3.1 Grounds for termination

The employer may not terminate an employment contract for reasons pertaining to a senior salaried employee or related to a senior salaried employee's person without a proper and weighty reason referred to in chapter 7, sections 1-2 of the Employment Contracts Act.

Instructions for application:

Proper and weighty reasons shall mean reasons depending on the individual senior salaried employee such as neglect of duties, failure to comply with orders issued by the employer within the limits of the employer's right of direction, unauthorized absence from work and obvious negligence at work.



3.2 Grounds for cancellation

The employer may cancel an employment contract on the grounds referred to in chapter 8, section 1 of the Employment Contracts Act.

3.3 Grounds for deeming an employment contract to be cancelled

The employer shall have the right to deem an employment contract to be cancelled in accordance with chapter 8, section 3 of the Employment Contracts Act.

3.4 Lay-off for reasons pertaining to an individual senior salaried employee or related to a senior salaried employee's person

The employer may lay off a senior salaried employee for a fixed period without observing a lay-off notice period when there are grounds for terminating or cancelling the employment contract.

3.5 Terminating an employment contract

The employer shall terminate an employment contract on the grounds referred to in chapter 7, sections 1–2 of the Employment Contracts Act within a reasonable time after learning of the grounds for termination.

3.6 Hearing

Before terminating an employment contract on the grounds referred to in chapter 7, sections 1–2 of the Employment Contracts Act or before cancelling it for a reason referred to in chapter 1, section 4 or chapter 8, section 1 of the said Act, the employer shall provide the senior salaried employee with an opportunity to be heard regarding the grounds for terminating the employment contract. When being heard, the senior salaried employee shall have the right to have an assistant, for example, a liaison person or colleague.



4 Lay-off and termination of employment contract due to financial or production-related reasons or due to reasons related to the reorganisation of the employer's operations

4.1 Negotiating procedure

Should the need arise at a workplace within the scope of the Act on Co-operation within Undertakings to dismiss, temporarily lay off or reduce the regular working time of senior salaried employees or unilaterally modify an essential term of an employment contract, then the employer shall comply with the Act on Co-operation within Undertakings, subject to the exceptions agreed in this clause.

Instructions for application:

The Act on Co-operation within Undertakings shall form no part of this agreement. The provisions of this section 4.1 shall supplement the said Act and supplant the corresponding clauses of the Act.

Notwithstanding the provisions of sections 19 and 23 of the Act on Co-operation within Undertakings, the duties of co-operation shall be deemed discharged when, following submission of a written negotiation proposal, the matter has been considered in co-operation procedures on the basis of available information provided in advance in the manner agreed below. The employer must ensure that the information provided prior to the negotiations, as referred to in section 19 of the Act on Co-operation within Undertakings, is sufficient for the negotiations to be started.

Minuted note:

The information to be appended to the negotiation proposal is prescribed in section 19 of the Act on Co-operation within Undertakings.

4.1.1 Financial and production-related reasons or reasons related to the reorganisation of the employer's operations

- a) The employer's duty to negotiate shall be considered fulfilled, unless otherwise agreed, when negotiations on the matter have continued for a period of 7 days following the submission of the negotiation proposal, if



- the negotiations concern the dismissal, reduction in regular working time or unilateral modification of an essential term of an employment contract of fewer than 10 persons
 - the negotiations concern lay-offs
 - the employer regularly has fewer than 30 employees
 - the employer is subject to the restructuring procedure referred to in the Restructuring of Enterprises Act.
- b) The employer's duty to negotiate shall be considered fulfilled, unless otherwise agreed, when negotiations on the matter have continued for a period of 28 days following the submission of the negotiation proposal, if the negotiations concern the dismissal, reduction in regular working time or unilateral modification of an essential term of an employment contract of at least 10 persons.

Minuted note:

The federations emphasise that the substantive requirements of the change negotiations shall be governed by the Act on Co-operation within Undertakings and a mere lapse of negotiation time does not affect these obligations. The substantive requirements of the Act on Co-operation within Undertakings shall be handled in a cooperative way as intended in the act. To this end, according to the federations, more than one negotiation meeting is necessary. The aim of change negotiations is to try to find alternative viable solutions in order to improve financial and productive situation of the company so that losses resulting from possible reduction of workforce are limited to a minimum.

Non-compliance with the substantive requirements of the Act on Co-operation within Undertakings may lead to a payment of compensation in accordance with section 44 of the act.

4.1.2 Plan and principles for action

After having made a negotiation proposal regarding the employer's intention to dismiss at least ten persons on the basis of financial or production-related reasons, the employer shall, at the commencement of the change negotiations, provide the representative of senior salaried employees with a proposal for a plan of action to



promote employment. In preparing the plan of action, the employer shall without delay together with the employment authorities investigate the public employment services supporting employment (Act on public employment and business service).

Pursuant to section 21, subsection 2 of the Act on Co-operation within Undertakings, the plan of action must indicate the intended schedule for the negotiations, the procedures to be followed therein and the planned principles of action in accordance with which use of public employment services, job seeking and training is promoted during and after the notice period.

If the employer is considering the dismissal of fewer than ten persons, the employer must, in the course of the co-operation negotiations, present the principles of action according to which, during the notice period, the employer supports the senior salaried employees' independent search for other work or education and their employment through the services referred to in the Act on Public Employment and Business Service.

4.2 Termination of employment

4.2.1 Grounds for termination

The grounds for termination of employment shall comply with the provisions of chapter 7, sections 1 and 3 of the Employment Contracts Act (financial or production-related reasons or reasons arising from reorganisation of the employer's operations).

Minuted note:

It is the view of the federations that the duty of the employer to offer work or to provide training shall primarily apply to work available in the same working district to which the senior salaried employee may be feasibly and reasonably redeployed.

4.2.2 Order of staff reductions

Dismissals and lay-offs for reasons not pertaining to the senior salaried employee shall, where possible, adhere to a rule whereby the last individuals to be dismissed or laid off shall be the senior salaried employees who are vital to the operations of the enterprise and necessary for specialised functions, and those who have lost part of their working capacity while working for the same employer. In addition to this, the length of employment and the number of the dependants of the senior salaried employee in question shall also be taken into consideration.



4.2.3 Re-employment obligation

The employer and a senior salaried employee may agree to derogate from the re-employment provision in chapter 6, section 6 of the Employment Contracts Act. Such an agreement shall be concluded separately in writing at the time of dismissal or termination of employment contract and it shall allow for the measures taken by the employer to promote re-employment of the senior salaried employee.

4.3 Lay-off

4.3.1 Grounds for lay-off

The grounds for lay-off shall comply with those stipulated in chapter 5, section 2, subsections 1-3 of the Employment Contracts Act.

Minuted note:

It is the view of the federations that the duty of the employer to offer work or to provide training shall primarily apply to work available in the same working district to which the senior salaried employee may be feasibly and reasonably redeployed.

a) Temporary reduction in work

If a temporary reduction has occurred in the work or in the employer's possibilities to offer work, a senior salaried employee may be laid off for a period corresponding to that of the temporary scarcity of work, or for an indefinite period.

Instructions for application:

A reduction in work may be considered to be temporary when its estimated duration does not exceed 90 calendar days.

b) Other than temporary reduction in work

If it is estimated that there will be a reduction in work for a period of more than 90 calendar days, then a senior salaried employee may be laid off for a fixed period or for an indefinite period.

4.3.2 Reduced working hours

The procedures governing lay-offs shall also be observed in any transition to reduced daily or weekly working hours corresponding to lay-off.



4.3.3 Notice period for lay-offs

Unless otherwise agreed at the time of lay-off, the notice period for lay-offs shall be 7 days.

There shall be no duty to provide an advance explanation of a lay-off.

4.3.4 Local bargaining

Other arrangements for lay-off and the lay-off notice period may be agreed locally pursuant to the collective agreement.

4.3.5 Postponement and suspension of lay-offs

a) Postponement of lay-offs

If the employer secures temporary work during the lay-off notice period, the beginning of the lay-off may be postponed. The beginning of the lay-off may be postponed only once without observing a new lay-off notice period and only for the duration of the temporary work.

b) Suspension of lay-offs

The employer may secure temporary work after the lay-off has already begun. The employer and senior salaried employee shall agree on any suspension of the lay-off if the intention is to continue the lay-off immediately after the work has been performed without submitting a new lay-off notice. Any such agreement should be concluded before the work begins. At the same time, the estimated duration of the temporary work must be established.

4.3.6 Termination of employment of a senior salaried employee during lay-off and employer's obligation to pay compensation in certain situations

Cancellation of employment contract by a senior salaried employee

A senior salaried employee who has been laid off shall have the right to cancel their employment contract without observing the notice period except during the last seven days of the lay-off if the said employee has already learnt when the lay-off is due to end.



Termination of employment contract by the employer

Conditions for compensation

A senior salaried employee who has been laid off shall be entitled, pursuant to chapter 5, section 7, subsection 2 of the Employment Contracts Act, to compensation for damages arising from the loss of salary for the notice period if the employer terminates the employment contract so that employment ends during the lay-off.

Limitation of liability for compensation

Any salary that may have been earned by the senior salaried employee elsewhere during the notice period shall reduce the employer's liability for compensation.

Deduction of any salary that the senior salaried employee has wilfully refrained from earning shall be possible only as an exception, such as when the employer would have arranged work for the senior salaried employee for the notice period or part thereof.

The salary for the lay-off notice period shall not be deducted from the compensation.

Reckoning of compensation

The compensation shall be reckoned on the same grounds as stipulated below in this agreement in the paragraph on resignation of a senior salaried employee.

Payment of compensation

Compensation shall be paid by pay period unless the senior salaried employee is working elsewhere during the notice period.

If the senior salaried employee is working elsewhere during the notice period, the employer shall pay any difference between the compensation for the salary for the notice period and the salary earned elsewhere at the end of the employment relationship, provided that at this time the senior salaried employee submits to the employer an account of the salary earned elsewhere during the notice period.

Resignation of a salaried employee

A laid off senior salaried employee, who resigns pursuant to chapter 5, section 7, subsection 3 of the Employment Contracts Act after the lay-off has continued without interruption for no less than 200 days, shall be entitled to compensation amounting to the salary for the prescribed period of notice that the employer must ob-



serve. Said compensation shall be paid no later than one week after the employment relationship has ended, unless otherwise agreed.

Annual holiday compensation for the notice period

A senior salaried employee shall be entitled to holiday compensation for the notice period in accordance with the Annual Holidays Act regardless of the party terminating the employment contract.

Minuted note:

Notwithstanding the end of employment, the parties to the employment relationship may agree on a fixed-term employment contract for the notice period or part thereof.

In this case, the salary received by the senior salaried employee shall be deducted from the compensation corresponding to the salary for the notice period.

5 Compensation for unjustified termination of employment and unjustified lay-off of a senior salaried employee

5.1 Infringement of grounds

The employer's liability to pay compensation for terminating an employment contract or laying off a senior salaried employee in a manner that is not in line with the grounds referred to in this agreement shall be determined as follows:

Termination of employment contract (clauses 3.1 and 4.2.1)

Compensation shall be determined in accordance with chapter 12, section 2 of the Employment Contracts Act.

Cancellation of employment contract and deeming an employment contract to be cancelled (clauses 3.2 and 3.3)

Loss resulting from the loss of notice period shall be compensated for in accordance with clause 2.3, paragraph 1 of this agreement.

If there were no grounds to terminate employment even through dismissal, the compensation to be paid shall be determined as referred to hereinabove and in accordance with chapter 12, section 2 of the Employment Contracts Act.

Lay-off of a senior salaried employee (clauses 3.4 and 4.3.1)

Compensation for damages shall be determined in accordance with chapter 12, section 1 of the Employment Contracts Act.



5.2 **Single compensation principle**

The employer may not be adjudged liable for the compensation referred to in this clause in addition to or instead of compensation determined pursuant to the Employment Contracts Act.

5.3 **Breach of procedural regulations**

An employer may not be ordered to pay a compensatory fine pursuant to section 7 of the Collective Agreements Act for failure to comply with the procedural stipulations of this agreement.

Failure to comply with procedural stipulations shall be considered as an increasing factor when determining the amount of compensation to be awarded for unjustified termination of an employment contract or lay-off.

5.4 **Relationship between compensation and compensatory fines**

In addition to the compensation awarded to a senior salaried employee pursuant to this section, the employer may not be ordered to pay a compensatory fine pursuant to section 7 of the Collective Agreements Act insofar as the matter concerns a breach of obligations that are based on the collective agreement, but that are essentially the same as those for which compensation pursuant to the agreement has been ordered to be paid.

6 **Dispute resolution procedure**

Should a senior salaried employee consider that the employee's employment contract has been terminated or that the employee has been laid off without the grounds laid down in the agreement, the dispute may be referred for settlement in accordance with the negotiating procedure referred to in the collective agreement.

Should no settlement be achieved in a dispute that concerns the termination of employment contract or lay-off and that falls within the scope of this agreement, the matter may be referred to the Labour Court for a ruling in accordance with the order prescribed in section 11, subsection 2 of the Labour Court Act.



7 Statute of limitations

After the termination of an employment relationship, entitlement to compensation pursuant to section 5 of this agreement shall lapse if no claim has been lodged in court within two years of the end of the said employment relationship.

8 Entry into force

This Agreement shall enter into force on 15 February 2023.

Helsinki, 15 February 2023.

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Appendix 2 Survival clause

To safeguard the employer's operations and jobs, the employer and the shop steward may, also by way of derogation from the minimum terms and conditions of the collective agreement, agree locally on the adjustment of terms of employment concerning financial benefits, as agreed upon hereinafter. Such agreements shall apply to an enterprise or an autonomous part thereof. The agreement may not lower the salary of a senior salaried employee.

The parties may agree to pay one quarter of the salary at a later date. In this case, the part paid on the due date shall constitute at least three quarters of the person's monthly salary. The deferred portion of the salary shall be paid within two months of the original payday.

This provision does not restrict the mutual freedom of contract between the parties to an employment contract or the employer's unilateral right to adjust the terms of employment in accordance with the law and legal practice.

Financial difficulties and identification thereof, communication to the federations and planning

Bargaining on the adjustment of the terms of employment shall be related to a serious financial crisis or sudden production-related crisis faced by the employer, jointly recognised during change negotiations referred to in the Act on Co-operation within Undertakings or in another context, the effects of which – such as reduction of workforce – can be prevented or limited with this measure.

In the negotiations, the parties shall be entitled to assistance from the federations' experts with regard to the identification of the employer's financial difficulties or production-related crisis. The shop steward and any experts consulted shall keep in confidence all information concerning the employer's financial position obtained during the negotiations, in accordance with the employer's statement on the confidentiality of the information. (cf. Act on Co-operation within Undertakings, section 40).



Before any negotiations are launched at the workplace, they must be reported to the parties to the collective agreement.

At the start of the negotiations, the employer shall also present a plan giving a comprehensive account of the actions taken and planned to revive the enterprise's finances and safeguard its operations. The desired goal is best achieved when it is consistently taken into account in all of the employer's operations. Shared goals and statements (e.g. any refraining from dismissals for the duration of the agreement or potential later compensation for cuts) may also be added to the plan during the local negotiations.

During negotiations on an agreement concerning the adjustment of the terms of employment at the workplace, the employer shall openly explain to the other negotiating party the enterprise's financial position and its outlook.

Necessity and reasonableness of deterioration of terms of employment referred to in the agreement

Adjustments stabilising the employer's finances or production-related crisis and affecting the terms of employment concerning salary or other financial benefits must be deemed necessary, considering the goals of the agreement. Such measures shall also be proportionate to the benefits to be obtained. The parties shall regularly assess the impact that any savings in labour costs have on the employer's financial position.

Temporary nature of the measures

A local agreement shall be made in writing for the fixed term during which the employer's financial position is anticipated to stabilise, and in any case for no more than one year at a time. A fixed-term agreement may be terminated with a two-month notice period if either party considers that there are no longer factual grounds for maintaining the agreement in force.

If the enterprise is declared bankrupt or enters liquidation or debt restructuring during the validity period of the agreement, this agreement shall automatically expire on that date unless the parties specifically agree to maintain it in force in accordance with the original agreement. In such cases, it is also possible to agree on new measures for safeguarding the employer's operations and jobs.



**Technology Industry Employers of Finland
Federation of Professional and Managerial Staff (YTN)**

Appendix 3 **Minutes concernig the dispute resolution board referred to in clause 5.2 of the collective agreement**

1 § The undersigned federations hereby agree that the dispute resolution board referred to in section 5.2 of the collective agreement shall be subject to the stipulations set out in these minutes.

2 § The undersigned federations shall each nominate to the dispute resolution board one member and the necessary number of deputies for the said member. The members of the dispute resolution board shall be appointed for a two-year term of office.

The members of the board shall elect as the chair of the dispute resolution board a person who shall be impartial and familiar with industrial relations. If the members are unable to agree on the chair, the National Conciliator shall elect the chair.

3 § A party hereto seeking to refer a matter to the dispute resolution board shall notify the opposing party thereof in writing and submit a copy of the notification to the chair of the dispute resolution board within 30 days of the date on which it becomes evident that the organisations are unable to settle the matter.

The dispute resolution board shall convene at the invitation of the chair to consider and resolve the matter without undue delay and in any case not later than within two weeks from the time the dispute was referred to the board, unless otherwise agreed between the federations.

The board of settlement shall have a quorum when attended by the chair and by the members nominated by both organisations.



4 § The undersigned federations shall defray the expenses incurred by the members that they have nominated, and each shall defray one half of the expenses incurred by the chair of the dispute resolution board.

5 § Except where otherwise stipulated in this agreement, consideration of a dispute submitted to the dispute resolution board shall be governed in applicable respects by the provisions of the Arbitration Act (967/1992).

A person who could be disqualified under section 9 of the Arbitration Act may nevertheless serve as a member of the dispute resolution board.

6 § A decision of the dispute resolution board shall be final and not open to appeal.

Helsinki, 3 January 2022

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Appendix 4 Minutes on working time banks

1. Concept and purpose

Working time bank shall mean an arrangement for combining work and time off adopted in an enterprise or at a workplace, involving an agreement to save, spend or combine various elements in the long term.

Minuted note:

The working time bank agreement shall supplant the time limitations and other limitations governing the granting of the agreed elements of a working time bank, unless otherwise agreed.

The purpose of a working time bank is to support enterprise productivity, competitiveness and consideration of senior salaried employees' individual needs regarding working time.

2. Adoption of working time bank

The adoption and details of a working time bank system shall be agreed in writing between the employer and shop steward. An agreement on the adoption of a working time bank shall specify at least

1. the individuals covered by the agreement,
2. the elements comprising the working time bank,
3. the maximum regular daily and weekly working hours,
4. the limits for saving and spending a working time balance within which regular working hours may vary over a longer period of time,
5. the length of the averaging period for working hours,
6. the impact of incapacity for work on the use of working time bank leave



Instructions for application:

The recommended elements to be included are elements that are compatible with the collective agreement and the Working Time Act or elements related to time off that are compatible with the collective agreement and the Annual Holidays Act, with agreement on such elements enabling effective fulfilment of the purpose of the working time bank. Such elements include, for example, the elements of the Working Time Act, leaves to reduce working time, saved leaves (carried-over holidays), annual holidays, time off in exchange of holiday bonus or part thereof, as well as incentives, bonuses or profit commissions.

The agreement shall also include the principles governing the organisation of regular daily and/or weekly working time, and the notification and other procedures related to the scheduling of working time.

The time of granting leave for a working day or longer period shall be agreed between the employer and senior salaried employee. In case no agreement is reached, the employer has the right, provided that the work situation so requires, to assign working time bank leave to be taken within a calendar year for a maximum of five working days at a time but so that the balance for time saved in the working time bank remains positive.

3. Use of a working time bank

The saving and spending limits of a working time bank may be agreed freely. Average regular weekly working hours may nevertheless not exceed the limits prescribed in the Working Time Act when agreeing on an averaging period exceeding one year.

Leaves granted as whole working days shall be counted as time equivalent to time at work when reckoning the length of annual holiday.

4. End of employment

Balances in the working time bank shall be evened out to a +/- 0 balance before employment ends. However, any time or monetary balance remaining in the working time bank at the end of employment shall be paid in connection with the final salary payment as



agreed locally. All borrowed time and monetary balances shall be withheld from the final salary payment.

Minuted note:

If the employment contract of a senior salaried employee has been terminated for reasons attributable to the employer and the senior salaried employee has been discharged from work duties for the entire notice period, no negative working time bank balance that is owed at the time of terminating the employment shall be withheld from the final salary payment.

5. Termination of the working time bank agreement

The notice period for termination of a working time bank agreement shall be six months, unless otherwise agreed locally. Working time balances shall be evened out to a +/- 0 balance during the notice period. Any outstanding time or monetary balance that has not been evened out to a +/- 0 balance during the notice period shall be paid or reclaimed in the same manner as at the end of employment unless otherwise agreed locally.



Technology Industry Employers of Finland Federation of Professional and Managerial Staff (YTN)

Appendix, not part of the collective agreement.

Appendix 5 Telecommuting instructions

Purpose of the instructions

Technology Industry Employers of Finland and Federation of Professional Managerial Staff (YTN) have drafted these instructions with the objective of creating a framework for telecommuting as a part of modern working life.

The federations encourage enterprises to implement modern, productivity-improving work time patterns. These systems include working time arrangements that enable remote work, for example.

Telecommuting offers opportunities for improving productivity at work and the quality of working life, balancing work and family life, promoting work ability, increasing flexibility regarding the location of workplaces and homes and reducing commuting expenses and time.

Definition of telecommuting

In this context, telecommuting refers to work performed outside the actual place of work stated in the employment contract. Senior salaried employees can work remotely from locations such as their homes, during travel related to business or training or from other mutually agreed locations.

Telecommuting shall take place within the limits of applicable legislation, the collective agreement and corporate regulations. The workload and objectives of telecommuters are the same as those of senior salaried employees carrying out similar tasks on the employer's premises.

Enabling telecommuting

If the enterprise's senior salaried employees have the opportunity to work remotely, the general telecommuting principles and practices should be discussed with the employees' representative. The discussion may cover, for example, matters related to working time arrangements, work methods and communication.



The telecommuting instructions and practices to be complied with are explained to senior salaried employees who work remotely. If a senior salaried employee works remotely on a regular basis, it would be advisable to conclude a written telecommuting contract. In this case, the agreement should state the duties performed remotely, the terms and conditions of remote work and the duration of remote work. The agreement may be valid for a fixed period or until further notice. The telecommuting agreement is also used to agree on the period of notice for the suspension of remote work by the employer or the employee. If remote work is suspended, the senior salaried employee returns to their actual place of work, unless otherwise agreed.

Other things to consider regarding telecommuting

Large-scale telecommuting may impact the functioning of the work community. The federations recommend that, in the case of remote work, measures be taken to ensure adequate flow of information and to prevent remote workers from becoming isolated from the rest of the enterprise's work community. In addition to normal communication by the company, such measures may include, for example, regular team meetings and active use of online collaboration platforms.

It is recommended that working time monitoring be arranged in such a way that the same monitoring system is used for both remote work and all other senior salaried employees in the company. While taking into account the prevailing circumstances, the employer should strive to ensure that remote workers and other senior salaried employees are also otherwise treated equally.

Other factors to be assessed regarding telecommuting may include, for example, issues related to the purchase of equipment and tools used in remote work and the insurance cover of telecommuters in case of accidents. If the employer, at its discretion, pays for such benefits concerning telecommuters, the tax treatment of these benefits, among other things, should be clarified in advance.

The occupational healthcare plan should also cover occupational health and safety hazards and problems related specifically to telecommuting and the environment where remote work takes place.

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