

Related party guidelines

In accordance with the Foundations Act (487/2015), foundations must report in their annual reports any possible financial transactions carried out with related parties.

Financial transactions with related parties are not forbidden, but they must be realised with the same terms, conditions and principles as with other parties, and they must be reported. The Foundation must report if, for example, it has awarded a grant to anyone considered a close related party of the Foundation. Additionally, any person belonging to the management of the Foundation is disqualified from participating in the grant process for a grant applicant who is considered an extended related party of the person in question.

For these reasons, all grant applicants are asked on the application form about their relationships with key personnel of the Foundation.

By virtue of the Foundations Act, the related parties of the Foundation are as follows:

- 1) A founding member of the Foundation and a person with control over the Foundation
- 2) A member or deputy member of the Board of Directors and Administrative Board of the Foundation, the Managing Director and their deputy, an active partner and the auditor;
- 3) The executive director of the Foundation or other person who takes part in the Foundation's management;
- 4) A family member of a person referred to in items 1–3;
- 5) Other close relative of a person referred to in items 1–3; and
- 6) An organisation or foundation under the control of a person or a group of people working together as referred to in items 1–5.

A family member refers to a spouse or partner, one's own or the spouse's or partner's child and this child's spouse or partner and child, as well as one's own and the spouse's or partner's parent, grandparent and great-grandparent.

Other close relatives include the sibling and stepsister or stepbrother, and their spouse or partner, of a person referred to in items 1-3 and in the second paragraph above. Close relatives also include the child and grandchild, parent and grandparent of any person referred to in this third paragraph.

Board of the Sakari Alhopuro Foundation, 24 January 2024