

Risk management policy

Verkkokauppa.com is a Finnish online retail store founded in 1992 and its headquarters are in Helsinki. Verkkokauppa.com sells information technology, consumer electronic and other consumer goods. The company's shares are listed on the official list of Nasdaq Helsinki under the ticker symbol VERK.

Due to its business environment it is very important for Verkkokauppa.com to identify risks and uncertainties pertaining to its business and react and act to them accordingly. Company's risks and uncertainties reflect the market and general economic trends, for example, demand for consumer electronics, wholesale trade business, the business environment and competition. The company's business operations are also influenced by risks and uncertainties relating to, for example, business strategy, investments, procurement and logistics, information technology, and other operative aspects of the business. The aforementioned risks and uncertainties may affect the company's operations, financial position and performance both positively and negatively.

Applicable legislation and other requirements directed to Verkkokauppa.com requires a consistent and defined risk management. Verkkokauppa.com's risk management system is based on the ISO 31000 Standard as well as other commonly known good practices such VAHTI-instructions.

Verkkokauppa.com has implemented risk management in accordance with policy to proactively prepare for uncertainties or deviations.

Verkkokauppa.com's risk management aims to ensure the achievement of business objectives, ensure business continuity, absence of disruptions as well as security. The aim of risk management is to support proactive management, to strengthen good governance and leadership, ensure compliance and to understand the evolving environment and potential new risks it brings.

Principles of risk management

- Verkkokauppa.com risk management requires co-operation throughout the organisation, where each employee and stakeholder have a role and responsibility.
- We set our goals bearing business opportunities and risks in mind.
- Risk management covers the whole of Verkkokauppa.com's operating environment.
- In addition to the organisation, risk management covers its processes, services, projects and procurement operations.
- Risks are analysed by their probability and impact to the business. Verkkokauppa.com's risks are categorised as strategic, financial, operational or security risks.
- Risks are handled according to Verkkokauppa.com principles and risk developments are monitored regularly.
- The risk management system is maintained by annual cycle.
- Risk management outputs are processed and reported regularly.
- Risk management is also aimed at supporting Verkkokauppa.com's other management systems, such as Business continuity management system (ISO 22301), information security management system (ISO 27001), as well as Data Protection regulation compliance.
- We report and store risk registers in accordance with defined principles and management system.

At Verkkokauppa.com, each employee is obligated to report any identified risks that may have an impact to the business. The responsibility of risk management is on the chief financial officer (CFO) acting as the board's organ. Verkkokauppa.com's risk managements operational management is the responsibility of Verkkokauppa.com's Chief Information Security Officer (CISO).

Risk management is a part of the Verkkokauppa.com's management system, which is governed with an annual cycle. The risk management system has been constructed in accordance with ISO 31000. Acting in accordance with the standard drives risk management towards annual evaluation and development based on Plan-Do-Check-Act-cycle.

This risk management policy has been approved by the Board of Directors of Verkkokauppa.com on 31 March 2020.