



***REPORT OF THE BOARD
OF DIRECTORS AND
FINANCIAL STATEMENTS 2025***

VERKKOKAUPPA.COM'S ANNUAL REPORTING 2025

Verkkokauppa.com has published its annual reporting package for 2025. The reporting package includes the Financial Statements and the Report of the Board of Directors including the Sustainability Statement, the Corporate Governance Statement, the Remuneration Report and the Company Brochure. The reports are available in Finnish and English, and they can be read and downloaded separately from Verkkokauppa.com's [investor site](#) as separate pdf files.



REPORT OF THE BOARD OF DIRECTORS AND FINANCIAL STATEMENTS 2025

REPORT OF THE BOARD OF DIRECTORS	5	6 GROUP ACCOUNTING PRINCIPLES	69	7.24 Provisions	93
SUSTAINABILITY STATEMENT	14	6.1 Basic information on the Company	69	7.25 Related parties	93
ESRS 2 GENERAL DISCLOSURES	14	6.2 Basis of preparation	69	7.26 Guarantees and commitments	93
Basis for preparation	14	6.3 Accounting policies requiring judgment by the management and key factors of uncertainty related to estimates	69	7.27 Subsequent events	93
Governance	14	6.4 Accounting principles for consolidated financial statements ..	70		
Strategy	17	6.5 Effects of IFRS standards that become effective during or after the financial year	71	8 FINANCIAL STATEMENTS OF PARENT COMPANY (FAS) 2025	94
Impact, risk and opportunity management	24			INCOME STATEMENT	94
ENVIRONMENT	34	7 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	72	BALANCE SHEET	95
Information about the taxonomy of sustainable finance	34	7.1 Segment reporting	72	CASH FLOW STATEMENT	96
E1 – Climate change	35	7.2 Revenue from contracts with customers	72	NOTES TO THE FINANCIAL STATEMENTS 31.12.2025	97
E2 – Pollution	43	7.3 Other operating income	73	8.1 Notes on the preparation of the financial statements	97
E5 – Resource use and circular economy	45	7.4 Materials and services	73	8.2 Revenue	98
SOCIAL RESPONSIBILITY	50	7.5 Employee benefits	74	8.3 Other operating income	98
S1 – Own workforce	50	7.6 Remuneration of key management personnel	74	8.4 Employee benefits	98
S2 – Workers in the value chain	57	7.7 Depreciation and amortization	76	8.5 Management remuneration	99
S4 – Consumers and end-users	60	7.8 Other operating expenses	76	8.6 Depreciation and amortization	100
GOVERNANCE	63	7.9 Finance income and expenses	76	8.7 Other operating expenses	100
G1 – Business conduct	63	7.10 Income taxes	77	8.8 Finance income and expenses	100
		7.11 Earnings per share	77	8.9 Income taxes	100
CONSOLIDATED FINANCIAL STATEMENTS (IFRS) 2025 ...	65	7.12 Share-based payments	78	8.10 Intangible assets	101
1 CONSOLIDATED STATEMENT OF INCOME	65	7.13 Intangible assets	79	8.11 Property, plant and equipment	101
2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ..	65	7.14 Tangible assets	82	8.12 Investments	102
3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION	66	7.15 Leases	83	8.13 Trade receivables and other receivables	102
4 CONSOLIDATED CASH FLOW STATEMENT	67	7.16 Deferred tax assets and liabilities	85	8.14 Receivables from companies of the same group	102
5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	68	7.17 Trade receivables and other receivables	86	8.15 Accruals	102
		7.18 Inventory	86	8.16 Inventory	102
		7.19 Cash and cash equivalents	87	8.17 Cash and cash equivalents	102
		7.20 Equity	87	8.18 Equity	102
		7.21 Cash flow information	88		
		7.22 Funding	89		
		7.23 Other current liabilities and accrued liabilities	92		

8.19 Calculation of distributable funds	102
8.20 Appropriations.....	103
8.21 Other current liabilities and accrued liabilities	103
8.22 Liabilities to companies of the same group	103
8.23 Long-term debt capital.....	103
8.24 Provisions.....	103
8.25 Guarantees and commitments	103
SIGNATURES FOR THE FINANCIAL STATEMENTS AND THE BOARD OF DIRECTORS' REPORT	104
AUDITOR'S REPORT	105
ASSURANCE REPORT ON THE SUSTAINABILITY REPORT ..	109



REPORT OF THE BOARD OF DIRECTORS

Fiscal year 2025 in brief

In 2025, Verkkokauppa.com returned to growth and significantly improved its profitability. Revenue increased throughout the year and accelerated toward the year-end, driven by increased online sales, strong commercial execution and successful seasonal campaigns. Full year revenue increased by 12.5 percent to EUR 526.5 million (467.8). Comparable operating result increased to EUR 14.8 million (1.8), with profitability improving steadily and culminating in a particularly strong final quarter supported by a record-breaking Black Friday campaign.

Operational efficiency strengthened substantially. Cost efficiency improved through systematic measures, working capital was managed with discipline, and inventory levels remained healthy relative to sales. Gross margin increased year on year to 17.1 percent (16.2%), supported by improved commercial terms, more efficient inventory turnover and dynamic pricing. Development of the online business progressed in line with the strategy, with online revenue increasing by 18.9 percent and its share of total revenue rising to 69.6 percent. In particular, fast and one-hour deliveries supported sales development: one-hour delivery coverage expanded to two million consumers, and delivery volumes increased by 55.0 percent year on year. Customer satisfaction remained at an excellent level.

Strategic initiatives advanced as planned, supporting growth and profitability. International expansion accelerated, with strong growth particularly in Central Europe and the Nordics. In September, the company completed the sale of its consumer finance business to Norion Bank AB and its payment solutions unit, Walley, for a final sale price of EUR 32.6 million. The transaction strengthened the company's balance sheet and sharpened its strategic focus on core operations.

At the end of the year, Verkkokauppa.com was in a strong financial position. Improved profitability, a strengthened balance sheet and

consistent strategy execution provide a solid foundation for continued profitable growth and long-term value creation.

Developments in the operating environment

In 2025, the market environment remained uncertain. Although inflation eased and interest rate expectations showed modest improvement, these developments were not sufficient to restore consumer confidence, and discretionary spending continued to be subdued. Ongoing labor market uncertainty and higher unemployment levels weighed on demand, with consumers remaining particularly cautious about purchases of durable goods.

Price competition in the campaign-driven consumer electronics market remained intense. As the year progressed, however, the market began to show gradual signs of recovery, supported by a slight improvement in purchasing power, category-specific demand drivers, and a gradual normalization of market conditions.

(Sources: Bank of Finland, Statistics Finland)

Revenue and profitability development

In 2025, the company's revenue increased by 12.5 percent to EUR 526.5 million (467.8). Growth was supported by increased online sales, strong commercial execution and successful seasonal campaigns. At the category level, growth was driven particularly by the IT and Entertainment categories. In the IT category, strong computer sales were supported by successful commercial actions and the beginning of replacement cycles, while TV sales in Finland benefited from the transition to high definition broadcasting, particularly during the second quarter. In addition, international sales increased significantly during the year, by 50.8 percent.

Gross margin increased to 17.1 percent (16.2%), supported by improved commercial terms, efficient inventory turnover and successful assortment management.

Personnel expenses decreased by 1.4 percent to EUR 35.4 million (35.9). Comparable personnel expenses increased by 0.4 percent to EUR 35.4 million (35.2). Other operating expenses increased by 4.6 percent to EUR 34.4 million (32.9), while comparable other operating expenses increased by 5.5 percent to EUR 34.2 million (32.4). Fixed costs totaled EUR 69.8 million (68.8), increasing by 1.5 percent compared with the comparison period. Comparable fixed costs increased by 2.9 percent to EUR 69.6 million (67.6). The increase in costs was mainly driven by expenses required to support higher sales volumes, as well as marketing investments.

The company's operating result (EBIT) amounted to EUR 17.4 million (0.6), representing an increase of EUR 16.8 million compared with the comparison period. Comparable operating result (comparable EBIT) was EUR 14.8 million (1.8), increasing by EUR 13.0 million compared to the previous year.

Items affecting comparability totaled EUR 2.5 million (-1.2), mainly related to the non-recurring gain from the sale of the consumer finance business and the administrative fine imposed by the Regional State Administrative Agency.

The result for the period was EUR 12.4 million (0.8).

Earnings per share amounted to EUR 0.27 (0.02).

Finance and investments

In 2025, operating cash flow totaled EUR 21.6 million (12.9). Operating cash flow before the change in working capital was EUR 24.4 million (7.0). The company's net financial expenses were EUR -2.1 million (-2.2).

In 2025, investments were EUR 3.2 million (1.8), mainly relating to IT infrastructure updates and to system investments aimed at strengthening operational efficiency and enhancing fast-delivery capabilities. Investments included capitalized wages and salaries totaling EUR 0.9 million (0.9).

At the end of December, Verkkokauppa.com had a total of EUR 17.4 million (19.0) in interest-bearing bank loans, of which EUR 17 million was tied to a variable interest rate. In addition, the company had an unutilized EUR 25 million revolving credit facility, which is valid until June 2027. The principal of the bank loan is amortized every six months.

On 4 September 2025, Verkkokauppa.com completed the sale of its consumer finance business to Norion Bank AB and its payment solutions unit, Walley, for a final sale price of EUR 32.6 million. The transaction generated a gain of EUR 3.2 million, which is included in other operating income.

Apart from the non-recurring gain, the transaction is not expected to have a significant impact on Verkkokauppa.com's results, but it significantly strengthens the company's balance sheet structure.

Verkkokauppa.com also signed a long-term partnership agreement with Walley to provide consumer financing to its customers, supporting the company's growth and long-term objectives. Under this arrangement, Verkkokauppa.com earns commissions on consumer credit intermediation.

Key figures

	2025	2024	2023
Revenue, MEUR	526.5	467.8	502.9
Operating profit, %	3.3%	0.1%	0.9%
Comparable operating result, %	2.8%	0.4%	1.2%
Equity ratio, %	23.1%	16.0%	16.2%
Gearing, %	-15.4%	35.2%	21.5%
Investments, MEUR	3.2	1.8	2.4
Cash flow from operations, MEUR	21.6	12.9	20.3
Personnel at the end of the period	594	615	677

Key events during the fiscal year

Q1 / 2025	Q2 / 2025	Q3 / 2025	Q4 / 2025
<p>On 28 January 2025, the company's Shareholders' Nomination Board proposed the composition and remuneration of the Board of Directors.</p> <p>On 12 February 2025, the company's Board of Directors resolved on a new matching period under the performance matching share plan for the years 2023–2027.</p> <p>On 24 February 2025, the Helsinki Administrative Court upheld the administrative fine imposed on Verkkokauppa.com by the Data Protection Ombudsman's Sanctions Board. The company announced the administrative fine on 15 March 2024 and recognized a provision for it in its first quarter 2024 results.</p>	<p>On 8 April 2025, the Annual General Meeting adopted the annual accounts for the financial period 1 January – 31 December 2024 and resolved not to distribute a dividend.</p> <p>On 29 April 2025, the company announced that Chief Supply Chain Officer and Management Team member, Nina Anttila, has resigned to pursue a new opportunity with another company.</p> <p>On 2 June 2025, the company announced an agreement under which it would sell its consumer finance business to Norion Bank AB and its payment solutions business unit, Walley.</p>	<p>On 12 August 2025, the composition of the Shareholders' Nomination Board was announced.</p> <p>On 3 September 2025, the company announced the appointment of Anne-Mari Paapio as Chief Supply Chain Officer and member of the Management Team. She assumed the role on 10 September 2025.</p> <p>On 4 September 2025, the company announced the completion of the sale of its consumer financing business to Norion Bank AB and its payment solutions unit, Walley.</p> <p>On 15 September 2025, the company updated its disclosure policy.</p>	<p>On 6 October 2025, the company announced that Chief Strategy and Technology Officer and Management Team member, Jyrki Tulokas, had resigned to pursue a new opportunity with another company.</p> <p>On 23 October 2025, the company announced that its Board of Directors had decided to commence a share buyback program of up to EUR 1,125,000. The repurchased shares will be used for the company's share-based incentive plans and other share-based remuneration. The program commenced on 28 October 2025.</p> <p>On 30 October 2025, the company announced that it had received a notification of the Regional State Administrative Agency for Southern Finland's decision to impose an administrative fine of EUR 540,000 on Verkkokauppa.com. The decision is based on an inspection conducted by the Regional State Administrative Agency in 2023 concerning the company's practices related to compliance with the Anti-Money Laundering Act during the period from 1 September 2020 to 31 August 2023.</p> <p>On 17 November 2025, the company announced that Chief Commercial Officer and Management Team member Tatu Kaleva had resigned to pursue a new opportunity with another company.</p> <p>On 20 November 2025, the company announced that it had completed its share buyback program. Between 28 October 2025 and 19 November 2025, Verkkokauppa.com repurchased 250,000 of its own shares at an average price of EUR 3.94 per share.</p> <p>On 22 December 2025, the company announced the appointment of Ville Sammalkorpi as Chief Strategy and Technology Officer and member of the Management Team. He will assume the role on 2 March 2026.</p>



Personnel

The number of employees decreased compared to the previous year and was 594 (615) at the end of December 2025. The figure includes both full-time and part-time employees.

In 2025, the company implemented a renewed organizational structure and operating model to support strategy execution, business growth and broader use of technology. The company put the strategy into practice by clarifying its significance from the personnel's perspective through internal communications and leadership training sessions. In addition, the company strengthened capabilities in agile development, continuous improvement and customer relationship management. In performance management, common methods for performance evaluation were introduced.

The company promoted sustainable HR practices through systematic inclusion and diversity leadership. Measures included developing sustainable recruitment practices, mapping the current state of multilingualism within the work community, and actively involving employees in activities of the diversity group. In work ability management, the company implemented the "Hyvän Mielen Verkkis" program to strengthen leadership capabilities related to mental well-being. A sense of community was fostered through personnel events and updates on premises and on-site work practices.

In 2025, the company conducted an employee survey three times. The results played an important role in developing the employee experience. Based on the findings, the company further developed remuneration practices and launched a pilot program focusing on working life skills to enhance the meaningfulness of work. The survey also continuously measured the Leadership Index, which improved in 2025 compared to 2024.

Information presented in the notes to the financial statements

Information on the company's personnel and related parties is provided in the Notes to the Financial Statements.

Share trading and shares

Verkkokauppa.com share (VERK) in Nasdaq Helsinki stock exchange in 2025:

No. of shares traded	15,919,329
Share of no. of total shares, %	35.1%
Total value, EUR million	46,472,616
Last, EUR	3.94
High, EUR	4.17
Low, EUR	1.30
Average, EUR	2.92

Verkkokauppa.com market capitalization and shareholders

	31 December 2025
Market capitalization (excl. own shares), EUR million	177.5
Number of shareholders (of which nominee shareholders)	19,501 (9)
Nominee registrations and direct foreign shareholders, %	10.13
Households, %	48.38
Financial and insurance corporations, %	19.02
Other Finnish investors, %	22.48

On 31 December 2025, the share capital was EUR 100,000 and the total number of shares in the company was 45,354,532 including 299,336 treasury shares held by the company. The treasury shares have no voting rights, and no dividend is paid on them. The treasury shares accounted for 0.66 percent of all shares.

On 28 October 2025, the company commenced a share buyback program under which it repurchased 250,000 of its own shares at an average purchase price of EUR 3.94 per share, to be used for share-based incentive plans and other share-based remuneration. The program was completed on 19 November 2025.

In 2025, the company transferred a total of 37,009 treasury shares as part of the remuneration of Board members and key employees.

Distribution of shareholders on 31 December 2025

Size of shareholding, shares	Number of shareholders	% of shareholders	Number of shares	% of shares
0–100	10,160	52.10%	371,222	0.82%
101–500	5,874	30.12%	1,508,352	3.33%
501–1,000	1,763	9.04%	1,361,994	3.00%
1,001–5,000	1,449	7.43%	3,107,095	6.85%
5,001–10,000	137	0.70%	1,021,473	2.25%
10,001–50 000	76	0.39%	1,659,287	3.66%
50,001–100 000	9	0.05%	691,272	1.52%
100,001–	24	0.12%	31,351,655	69.13%
Non-Finnish shareholders	9	0.05%	4,282,182	9.44%
Total	19,501	100.00%	45,354,532	100.0%

Shareholder breakdown by sector on 31 December 2025

	Number of shareholders	% of shareholders	Number of shares	% of shares
Households	19,000	97.43%	21,942,812	48.38%
Pension and insurance institutions	11	0.06%	10,252,263	22.60%
Private companies	406	2.08%	2,784,916	6.14%
Fund companies	6	0.03%	4,537,915	10.01%
Other	50	0.26%	1,390,268	3.07%
Non-profit organizations	19	0.10%	164,176	0.36%
Nominee registered	9	0.05%	4,282,182	9.44%
Total	19,501	100.00%	45,354,532	100.00%

Major shareholders on 31 December 2025

Shareholder	Number of shares	% of shares
Samuli Seppälä	12,519,000	27.60%
Varma Mutual Pension Insurance Company	4,365,932	9.63%
Evli Finnish Small Cap Fund	3,100,000	6.48%
Ilmarinen Mutual Pension Insurance Company	2,174,309	4.79%
Mandatum Life Insurance Company Limited	2,001,833	4.41%
Nordea Nordic Small Cap Fund	1,418,669	3.13%
Elo Mutual Pension Insurance Company	669,541	1.48%
Skogberg Ville Johannes	634,266	1.40%
Mutual Insurance Company Kaleva	506,325	1.12%
S-Bank Finnish Small Companies Equity Fund	504,337	1.11%
10 biggest shareholders, total	27,894,212	61.50%
Other shareholders	17,460,320	38.50%
Total	45,354,532	100.00%

Flagging notifications

On 26 March 2025, the company received a notification from Evli Plc pursuant to Chapter 9, Section 5 of the Securities Markets Act, according to which the combined direct ownership of the company's shares and votes by Evli-Rahastoyhtiö Oy (100% owned by Evli Plc) had exceeded the five (5) percent threshold. According to the notification, Evli-Rahastoyhtiö Oy directly held a total of 2,502,380 shares in Verkkokauppa.com Oyj on 25 March 2025, corresponding to 5.52 percent of all shares in the company.

Long-term incentive plans

Verkkokauppa.com's CEO and members of the Management Team participate in the company's share-based incentive plan, which is implemented as a performance-based share plan. The purpose of the plan is to support the execution of the company's strategy, increase long-term shareholder value, and commit key personnel to the company. The incentive plan is described in more detail in the notes to the Financial

Statements and in the Remuneration Report, both of which are available on the company's investor website.

The Performance Share Plan currently includes three 3-year performance periods, covering 2023–2025, 2024–2026 and 2025–2027. On 12 February 2025, the Board of Directors decided to commence the third performance period, covering the years 2025–2027.

The primary performance measure for each performance period is Total Shareholder Return (TSR). Any rewards under the plan are paid partly in Verkkokauppa.com shares and partly in cash, in accordance with the terms of the plan and the applicable payment schedules. No new shares are issued in connection with the payment of share-based rewards.

Performance period	2023–2025	2024–2026	2025–2027
Incentive based on	Total Shareholder Return, TSR	Total Shareholder Return, TSR	Total Shareholder Return, TSR
Potential reward payment	Will be paid in Verkkokauppa.com shares in spring 2026	Will be paid in Verkkokauppa.com shares in spring 2027	Will be paid in Verkkokauppa.com shares in spring 2028
Participants	3 people	3 people	5 people
Max. number of shares	101,500*	92,900*	225,400*

* Includes the portion to be paid in cash to cover taxes. The final number of shares depends on the number of shares acquired by the participants and the achievement of the TSR targets set for the performance period.

Verkkokauppa.com's management team

Verkkokauppa.com's management team during 2025:

Member	Until/from
Panu Porkka, Chief Executive Officer	
Jesper Blomster, Chief Financial Officer	
Nina Anttila, Chief Supply Chain Officer	Until 28 Aug 2025
Anne-Mari Paapio, Chief Supply Chain Officer	From 10 Sep 2025
Tatu Kaleva, Chief Commercial Officer	
Pekka Litmanen, Chief Experience Officer	
Satu Berlin, Chief HR Officer	
Jyrki Tulokas, Chief Strategy and Technology Officer	
Suvituuli Tuukkanen, Chief Marketing, Communications and Sustainability Officer	

Verkkokauppa.com announced on 6 October 2025 that Jyrki Tulokas had resigned to join another company. Tulokas will continue in his current role until the end of January 2026. On 22 December 2025, Verkkokauppa.com announced the appointment of Ville Sammalkorpi as Chief Strategy and Technology Officer as of 2 March 2026, succeeding Tulokas in the role.

Verkkokauppa.com announced on 17 November 2025 that Tatu Kaleva had resigned to join another company. Kaleva will leave his current position no later than May 2026, and his successor, Juha Valtonen, was announced on 21 January 2026. Valtonen will assume the role of Chief Commercial Officer no later than October 2026.

Acquisitions and divestments

On 4 September 2025, Verkkokauppa.com announced that it had sold its consumer financing business to Norion Bank AB and its payment solutions business unit, Walley, for a final sale price of EUR 32.6 million. The transaction generated a non-recurring gain of EUR 3.2 million.

Strategy

Verkkokauppa.com's vision is to create a new normal for buying and owning products and to act as a market forerunner. The company strengthens its market position by accelerating the shift to online shopping, enabled by industry leading delivery speed and a customer centric operating model. The strategy is built on four cornerstones: Fastest Fulfilment, Operational Excellence, Curated Assortment and New Business Models. Together, these cornerstones support growth that outpaces the market, expansion into new categories and geographies, and continuous innovation in offering and services.

Fastest Fulfilment – Rapid deliveries accelerating the shift to online

Verkkokauppa.com continues to invest in seamless and convenient online shopping experiences to drive the transition from traditional retail to e-commerce. As the only operator in Finland, Verkkokauppa.com already delivers products to two million consumers within one hour. In 2025, the company continued to expand its distribution network,

invested in a more seamless online shopping experience and enhanced internal logistics to enable even faster and more efficient fulfilment.

Curated Assortment – Focusing on core categories with selected category expansions

The company maintains a strong focus on its core categories—electronics and home appliances—ensuring they are optimally suitable for fast deliveries, competitively priced and consistently available. In 2025, Verkkokauppa.com focused on its core categories by offering the best assortment, with competitive pricing and the best availability. The company also invested in developing its own brands, enhancing differentiation while supporting margin growth. This approach ensures a relevant, high-quality, and commercially effective assortment that reinforces Verkkokauppa.com’s market position.

New Business Models – Securing growth and profitability through new opportunities

To drive long-term growth, Verkkokauppa.com actively pursued new business and market opportunities. In 2025, the company strengthened its presence in Sweden by initiating a strategic partnership with Amazon.se and establishing new wholesale collaborations. Retail media continued to grow as a strategic revenue stream, supported by a broader customer base and the introduction of new media surfaces through digital signage across all physical stores. The expansion of the trade-in service and a wider range of recycled products further advanced the company’s sustainable and circular economy initiatives.

Operational Excellence – Stronger profitability through platform and AI-driven development

Verkkokauppa.com continuously develops its operations, platform and data capabilities to drive efficiency and profitability. In 2025, the company conducted a comprehensive exploration of AI opportunities across the organization, identifying several hundred potential use cases that support operational excellence and improve customer experience. The company’s flexible platform and in-house software development expertise enable the adoption of leading technologies from selected

partners. These capabilities form the foundation for the performance improvements and new solutions that will be built throughout the strategy period.

Intangible resources

The company’s key intangible resources include committed personnel, strong in house software development expertise, the capability for agile development, and the infrastructure that enables fast deliveries. These resources form the foundation for executing the strategy and maintaining competitive advantage.

Financial targets

Verkkokauppa.com’s long-term financial targets for the strategy period 2024–2028 are as follows:

1. Annual revenue growth (CAGR) of over 5 percent, faster than the market
2. Annual operating result margin of over 5 percent by the end of the strategy period
3. Fixed costs to less than 10 percent of revenue by the end of the strategy period
4. To pay out 60-80 percent of annual net profit in quarterly growing dividends

Board authorizations

At the Annual General Meeting held on 8 April 2025, the shareholders authorized the Board of Directors to resolve on the repurchase of a maximum of 4,535,453 of the company’s own shares using the company’s unrestricted equity. The authorization represents approximately ten percent of the total number of shares in the company and is valid until the next Annual General Meeting, which is planned to be held on 14 April 2026, however no later than 30 June 2026. The authorization cancels all previous unused authorizations to repurchase the company’s own shares.

At the same Annual General Meeting, the Board of Directors was also authorized to decide on a share issue, whereby the Board may, by

one or more decisions, issue a maximum of 4,535,453 shares, either as new shares or shares held by the company. The authorization represents approximately ten percent of the total number of shares in the company and is valid until the next Annual General Meeting, however no later than 30 June 2026. The authorization cancels all previous unused share issue authorizations. During the financial year, the Board of Directors exercised the share issue authorization by transferring a total of 37,009 treasury shares as payment for Board remuneration.

In addition to the above, the Board of Directors has no other valid authorizations to repurchase the company’s own shares or to issue shares.

Board of Directors

The Annual General Meeting confirmed the number of board members to be seven, and the following persons were re-elected: **Robin Bade, Henrik Pankakoski, Kati Riikonen, Irmeli Rytönen, Samuli Seppälä, Enel Sintonen and Arja Talma.**

At the constitutive meeting of the Board of Directors held after the Annual General Meeting, **Arja Talma** was elected Chair of the Board. The compositions of the Board committees were decided to be as follows:

- members of the Remuneration Committee are **Arja Talma** (Chair), **Robin Bade** and **Henrik Pankakoski.**
- Members of the Audit Committee are **Enel Sintonen** (Chair), **Arja Talma** (Vice Chair), **Kati Riikonen** and **Irmeli Rytönen.**

On 8 April 2025, Verkkokauppa.com published a stock exchange release on the decisions of the Annual General Meeting and the constitutive meeting of the Board of Directors. The release is available on the company’s website.

Annual general meeting 2025

The Annual General Meeting was held as a remote meeting in Helsinki on 8 April 2025. The Annual General Meeting adopted the Annual Accounts for the financial year 2024 and decided not to distribute a dividend, discharged the members of the Board of Directors and the CEO from

liability for the financial year 2024, approved the Remuneration Report and adopted the Remuneration Policy, and authorized the Board of Directors to decide on the repurchase and issuance of Verkkokauppa.com's own shares. In addition, the Annual General Meeting approved the proposals of the Shareholders' Nomination Board concerning the election and remuneration of the Board of Directors. Following the proposal of the Board of Directors, PricewaterhouseCoopers Oy was elected as the company's auditor and assurer of sustainability reporting. Mikko Nieminen, APA, acts as the principal auditor and the principal sustainability assurance provider.

Corporate governance statement and remuneration reports

The Corporate Governance Statement will be published in connection with the company's Financial Statements for 2025 and on the company's investor website <https://investors.verkkokauppa.com/en/corporate-governance>.

Most significant risks and uncertainties

Verkkokauppa.com's risk management is proactive and part of daily operations. Risks include threats and opportunities that may impact the company's success, financial performance, reputation and sustainability objectives. Risk management follows the ISO 31000 framework and the company's Risk Management Policy under the oversight of the Board of Directors.

Strategic risks

Strategy execution depends on assumptions about the operating environment, consumer behavior, technological development and market dynamics. Delays in adapting to the ongoing shift to online buying and cross-border e-commerce, changing delivery expectations, new ways of buying and owning or intensified competition and pricing pressure may weaken competitiveness and growth. Strategic risks are

monitored through scenario planning, early identification of deviations and proactive resource allocation.

Macroeconomic and market risks

Macroeconomic and geopolitical developments, such as global trade tensions, inflation, interest rate changes and market uncertainty, may affect supply chains, consumer purchasing power and buying behavior. The consumer electronics market remains highly competitive, with cross-border e-commerce and direct-to-consumer models intensifying pricing pressure. Seasonality is significant, with revenue and profitability concentrated in the fourth quarter. Market conditions are continuously monitored and commercial actions adjusted accordingly.

Operational risks

Operations depend on the resilience of digital channels, IT systems and supply chain efficiency, including logistics scalability and partner performance. Disruptions (e.g., system outages, cyber incidents, supplier delays) may impair sales or service continuity. Talent acquisition, omnichannel development and change management are critical for maintaining operational excellence. Supply chains remain exposed to geopolitical tensions and geographic concentration of manufacturing, which may increase availability and cost risks. These risks are mitigated through resilient supply chain structures, backup systems, business continuity planning and strengthened technology capabilities. AI-related risks are governed through a structured model with mandatory impact assessments.

Compliance, cybersecurity and regulatory risks

Tightening EU regulation increases compliance requirements related to product safety, sustainability, data protection and artificial intelligence. The company mitigates these risks by continuously updating processes and monitoring compliance under its Risk Management Policy.

Evolving cyber threats pose risks to business-critical systems and personal data, potentially leading to operational disruptions, reputational damage or regulatory sanctions. These risks are managed through

ISO 27001 and ISO 27701-aligned systems and investments in cyber preparedness, detection and response capabilities.

Failures in product safety or weaknesses in supply chain quality assurance could result in financial losses, reputational harm or risks to customer safety. To address this, own-brand products are developed to stringent standards, with continuous process improvements, and sustainability risks are monitored through a double materiality assessment to identify key sustainability impacts, risks and opportunities.

Financial risks

Financial risks relate to profitability, capital efficiency, balance sheet structure, working capital, liquidity, access to funding, covenants, and credit risks. Inventory turnover, category and pricing decisions and assortment management are critical to maintaining healthy gross margins and cash flow. External financing arrangements include covenants that, if not met, could trigger early repayment or renegotiation. Risks are managed through structured financial processes, disciplined inventory control and continuous monitoring of liquidity, credit exposure and financing conditions. For further information on financial risks, please refer to the Notes to the Consolidated Financial Statements.

Events after the reporting period

- On 21 January 2026, the company announced the appointment of **Juha Valtonen** as Chief Commercial Officer and a member of the Management Team. He will assume the role no later than October 2026.
- On 23 January 2026, the company's Shareholders' Nomination Board proposed the composition and remuneration of the Board of Directors.
- On 12 February 2026, the company announced that the Board of Directors had decided on a new share-based incentive plan for management.

Board proposal for profit distribution

The Board of Directors proposes to the Annual General Meeting that a maximum dividend of EUR 0.194 per share be paid based on the financial statements to be adopted for the financial period ended on 31 December 2025. The remaining profit shall be transferred to the account for retained earnings. The Board of Directors proposes that the dividend be paid in four instalments as follows:

The first instalment of EUR 0.047 per share is to be paid to shareholders registered in the company's shareholders' register maintained by Euroclear Finland Oy on the company's record date, 16 April 2026. The Board proposes that the dividend instalment payment date be 23 April 2026.

The Board of Directors further proposes that the Annual General Meeting authorize the Board of Directors, in its discretion, to resolve on the distribution of the remaining three instalments. The authorization will be valid until the opening of the next Annual General Meeting. Unless the Board of Directors resolves otherwise or applicable laws, regulations, or the rules of the Finnish book-entry system require otherwise, the authorization will be used to distribute dividend as follows:

Dividend	Preliminary record dates	Preliminary payment dates
Maximum of EUR 0.048	20 July 2026	27 July 2026
Maximum of EUR 0.049	26 October 2026	2 November 2026
Maximum of EUR 0.050	16 February 2027	23 February 2027

The Board of Directors would make separate resolutions on the distribution of each instalment under the authorization. The company would publicly announce each such resolution and confirm the record and payment dates in connection with such resolutions. Each instalment based on the resolution of the Board of Directors will be paid to shareholders registered in the company's shareholders' register maintained by Euroclear Finland Oy on the record dates of payment. The Board of Directors proposes that the authorization includes the right for the Board of Directors to decide on all other terms and conditions related to the dividend distribution.

As at the date of the proposal for the distribution of profit, 12 February 2026, a total of 45,055,196 shares were held outside the company, and the corresponding total amount of dividends is EUR 8,740,708.

Verkkokauppa.com Oyj's distributable funds as at 31 December 2025 amounted to EUR 40,970,139 of which profit for the financial year 2025 amounted to EUR 11,363,113.

Market outlook for 2026

General market demand is expected to recover only gradually in 2026 amid subdued consumer confidence. Private consumption is forecast to start growing during the year as real earnings increase and the labor market slowly strengthens. Purchasing power is supported by moderate inflation, while a high household savings rate enhances consumers' financial resilience. Competition is expected to remain intense.

Financial guidance for 2026

Verkkokauppa.com expects its revenue and comparable operating result for 2026 to increase. In 2025, the company's revenue was EUR 526.5 million and comparable operating result was EUR 14.8 million.

Guidance includes uncertainties related to changes in purchasing power and consumer behavior. Verkkokauppa.com's business is seasonal and the company's revenue and operating profit depend largely on the sales in the fourth quarter.

Alternative performance measurement

In this release, Verkkokauppa.com Oyj presents certain key figures that are not accounting measures defined under IFRS and therefore are considered as Alternative Performance Measures (APM). Verkkokauppa.com Oyj applies in the reporting of alternative performance measures the guidelines issued by the European Securities and Market Authority (ESMA).

Verkkokauppa.com Oyj uses alternative performance measures to reflect the underlying business performance and to enhance

comparability between financial periods. The company's management believes that these key figures provide supplementary information on the income statement and financial position.

Alternative performance measures do not substitute IFRS key ratios.

Financial key figures

	1-12/2025	1-12/2024	1-12/2023
Revenue, million euros	526.5	467.8	502.9
Gross profit, million euros	89.9	75.8	80.9
Gross margin-%	17.1%	16.2%	16.1%
EBITDA, million euros	24.2	7.5	11.1
EBITDA-%	4.6%	1.6%	2.2%
Operating result, million euros	17.4	0.6	4.7
Operating result-%	3.3%	0.1%	0.9%
Comparable operating result, million euros	14.8	1.8	6.1
Comparable operating result- %	2.8%	0.4%	1.2%
Result for the period, million euros	12.4	-0.8	2.1
Equity ratio, %	23.1%	16.0%	16.2%
Gearing, %	-15.4%	35.2%	21.5%
Personnel at the end of the period	594	615	677

Share performance indicators

	1-12/2025	1-12/2024	1-12/2023
Basic earnings per share, euros	0.27	-0.02	0.05
Diluted earnings per share, euros	0.27	-0.02	0.05
Number of issued shares	45,355	45,355	45,355
Number of treasury shares, thousands	299	86	146
Weighted average number of shares outstanding	45,280	45,244	45,209
Dilutes weighted average number of shares outstanding	45,347	45,287	45,277
Equity per share, €	0.87	0.62	0.63
Dividend per share, €*	0.194	-	-
Payout ratio, %	71%	-	-
Effective dividend yield, %	4.92	-	-
Price per earnings ratio (P/E ratio)	14.41	-	-
Lowest share price	1.30	1.27	2.24
Highest share price	4.17	2.71	2.99
Average share price	2.92	2.11	2.64
Period end share price	3.94	1.34	2.60
Market value of the shares at period end, MEUR	177.5	60.5	117.5
Number of traded shares, thousands	15,919	7,472	6,887
Traded shares of all shares, %	35.1%	16.5%	15.2%

*2025: Board of Directors' proposal, including authorization for dividend distribution.

Formulas for key ratios

Key ratio	Definitions	Basis of alternative performance measures adopted
Gross profit	Revenue - materials and services	Gross profit shows the profitability of the sales
Gross margin, %	$(\text{Revenue} - \text{materials and services}) / \text{Revenue}$	x 100 Gross margin measures the profitability of the sales of Verkkokauppa.com
EBITDA	Operating result + depreciation + amortization	EBITDA shows the operational profitability
EBITDA, %	$(\text{Operating result} + \text{depreciation} + \text{amortization}) / \text{Revenue}$	x 100 EBITDA measures the operational profitability of Verkkokauppa.com
Operating result	Result for the period before income taxes and net finance income and costs	Operating result shows result generated by operating activities
Operating margin, %	$\text{Operating result} / \text{Revenue}$	x 100 Operating margin measures operational efficiency of Verkkokauppa.com
Items affecting comparability	Material items that are not part of normal operating activities such as expenses related to restructuring costs including workforce redundancy and other restructuring costs, impairment losses of fixed assets, gain or losses recognized from disposals of fixed assets/businesses, transaction costs related to business acquisition, compensations for damages and legal proceedings	
Comparable operating result	Comparable operating result is result adjusted with items affecting comparability	Comparable operating result allows comparison of operating result in different periods without the impact of extraordinary items not related to normal business operations
Comparable operating result margin %	$\text{Comparable operating result} / \text{revenue}$	Comparable operating margin measures comparable operational efficiency of Verkkokauppa.com
Equity ratio, %	$\text{Total equity} / \text{Balance sheet total} - \text{advance payments received}$	x 100 Equity ratio measures Verkkokauppa.com's solvency, ability to bear losses and ability to meet commitments in the long run
Interest-bearing net debt	Interest-bearing debts (lease liabilities, loans from financial institutions) - cash and cash equivalents	Interest-bearing net debt measures Verkkokauppa.com Group's indebtedness
Gearing, %	$\text{Interest-bearing debts (lease liabilities, loans from financial institutions) - cash and cash equivalents} / \text{Total equity}$	x 100 Gearing measures the relation of equity and interest-bearing net debt of Verkkokauppa.com and shows the indebtedness of the company
Investments	Increases in intangible assets, property, plant and equipment during the financial period	Investments provide additional information regarding operating cash flow demands
Net investments	Investments in intangible and tangible assets - proceeds from the sale of fixed assets. Net investments do not include non-capitalized / unfinished acquisitions	
Earnings per share, basic	$\text{Result for the period attributable to equity holders of the company} / \text{Weighted average number of shares outstanding}$	Earnings per share measures the result for the period attributable to equity holders of the Group

Key ratio	Definitions	Basis of alternative performance measures adopted
Earnings per share, diluted	Result for the period attributable to equity holders of the company / Weighted average number of shares outstanding + dilutive potential shares	
Equity per share	Equity/ Number of shares at reporting day	
Dividend per share	Dividend / Number of shares at reporting day revised by share split	
Dividend payout ratio, %	Dividend per share revised by share split / Earnings by share revised by share split	x 100
Effective dividend yield %	Dividend per share / Share price at reporting day	x 100
Price per earnings ratio (P/E ratio)	Share price at reporting day / Earnings per share	
Traded shares of all shares, %	The number of traded shares during the reporting period / The average number of shares during the reporting period	x 100

Reconciliation of alternative key ratios

EUR million	1-12/2025	1-12/2024
Comparable operating result	14.8	1.8
Items affecting comparability	2.5	-1.2
Operating result	17.4	0.6

Items affecting comparability

EUR million	1-12/2025	1-12/2024
Recognition of deferred purchase price	-	0.6
The Office of the Data Protection Ombudsman - An administrative fine and other legal fee	-0.1	-1.0
Restructuring	-	-0.8
Sale of the consumer finance business	3.2	-
Regional State Administrative Agency (AVI) administrative penalty and related legal costs	-0.6	-
Items affecting comparability total	2.5	-1.2



SUSTAINABILITY STATEMENT

ESRS 2 GENERAL DISCLOSURES

Basis for preparation

BP-1 General basis for preparation of sustainability statements

Verkkokauppa.com's (hereafter the company) Sustainability statement has been prepared in accordance with the requirements set by the EU Sustainability Reporting Standards (ESRS) and is a consolidated Sustainability statement in accordance with Chapter 7 of the Accounting Act. The scope of the reporting aligns with that of the financial statements and covers all the companies within the Group. The parent company of the Group is Verkkokauppa.com Oyj, a Finnish public limited company whose shares are traded on the Nasdaq Helsinki stock exchange.

The reporting takes into account the company's entire value chain to the extent that information is available. The value chain is described in section *SBM-1 Strategy, business model and value chain*.

The company has not exercised the option to omit information related to intellectual property, know-how, or innovation results. The company has not made use of the exemption allowing for the omission of information relating to ongoing developments or matters under negotiation in exceptional cases, in accordance with Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

BP-2 Disclosures in relation to specific circumstances

The sustainability statement covers the company's entire value chain. Quantitative information concerning the beginning and end of the value chain is reported only for sustainability topic *E1 – Climate change*, the metrics, preparation principles, and potential uncertainties of which are presented in more detail in section *E1 – Metrics preparation principles*.

The calculation of Scope 3 emissions involves significant uncertainty due to factors such as long supply chains, and the calculation is based in part on estimates and extrapolated data (e.g., employee surveys) and

average emission factors. The estimates and assumptions used in the reporting relate to, for example, the assessment of energy consumption in buildings, employee surveys, and estimates of product life cycles (3–10 years).

Some of the scope 3 emissions include data from the beginning and end of the value chain, which has been estimated using indirect sources such as average methods and substitute estimates when supplier-specific data is not available. These include, for example, emissions from packaging materials and transport, which, however, account for a very small proportion of total emissions. Data from the largest suppliers is based on reports, and cost-based estimates are only used for smaller suppliers. The company is aware that estimates based on indirect sources may cause uncertainty and will continue to develop supplier cooperation and obtain first-hand emissions data from major suppliers to improve accuracy.

The company's reporting of indirect Scope 3 emissions has been adjusted in terms of comparative data for category 11, Use of sold products. As a result of the adjustment, the company's reported emissions in 2024 decreased. The decrease is not due to changes in operations but to a change in accounting principles. The information is presented in section *E1 – Climate Change under Emission Calculation*.

The share of renewable electricity purchased by the company has been adjusted in terms of comparative data. As a result of the adjustment, the share of renewable electricity in 2024 decreased to 95%. The information is presented in section *E1 Climate Change under Energy consumption and energy mix*.

The share of men and women taking family leave has been updated for the comparison data. The information is presented in topic *S1 Own workforce under S1-15 Work-life balance metrics*.

The average time to pay invoices has been updated for comparative data due to a refinement in the calculation principles. The information is presented in topic *G1 Business Practices under G1-6 Payment Practices*.

The Sustainability statement has been verified by a verification service provider. No other verification has been applied to the indicators.

The company has not included information based on other legislation or other sustainability reporting standards or frameworks in its Sustainability statement.

The use of transitional provisions is presented in section *IRO-2 ESRS Disclosure requirements in ESRS covered by the undertaking's sustainability statement*.

Governance

GOV-1 The role of the administrative, management, and supervisory bodies

In accordance with the Board's rules of procedure, the company's Board of Directors supervises the management of the company and its operations, including matters related to sustainability, and is the highest authority responsible for the Group's sustainability. The Board of Directors approves the Group's strategy, the Code of Conduct, policies and guidelines, and the objectives related to responsible business operations. The Board of Directors also confirms the double materiality analysis and the analysis of the company's sustainability-related impacts, risks and opportunities included therein.

The company's Board represents a diverse range of expertise and has a broad professional background, ensuring that work and international experiences, age, and gender complement and support each other to enhance the company's business and shareholder value. The Board and the Management Team have relevant experience in terms of industries, products, and geographical locations, as well as appropriate skills and expertise related to the monitoring of sustainability issues. During the 2025 financial year, the company's Board of Directors consisted of seven members: four women and three men. Of the Board members, 86% (6 persons) were independent. There is no employee representation on the Board of Directors or the Management Team.

Composition of the Board of Directors:

Arja Talma, Chair
 Robin Bade
 Henrik Pankakoski
 Kati Riikonen
 Samuli Seppälä
 Irmeli Rytönen
 Enel Sintonen

CEO and composition and position of the Management team:

Panu Porkka, CEO
 Jesper Blomster, CFO
 Tatu Kaleva, Chief Commercial Officer
 Pekka Litmanen, Chief Experience Officer (CXO)
 Jyrki Tulokas, Chief Strategy and Technology Officer
 Suvituuli Tuukkanen, Chief Marketing, Communications and Sustainability Officer
 Satu Berlin, Chief HR Officer
 Anne-Mari Paapio, Chief Supply Chain Officer (as of September 10, 2025)
 Nina Anttila, Chief Supply Chain Officer (until August 28, 2025)

Gender distribution of the Board of Directors and Management team

	2024			2025		
	Men	Women	Ratio	Men	Women	Ratio
Board of Directors	43%	57%	3:4	43%	57%	3:4
CEO and Management team	62%	38%	5:3	62%	38%	5:3

Reported according to the situation at the end of the year

The Board's Audit Committee acts as a preparatory and monitoring group that oversees the progress of the company's sustainability work in accordance to the objectives set in the Sustainability program, with progress and monitoring reported to it at least twice a year, considering both strategic and operational perspectives. The Audit Committee regularly reports to the Board of Directors on matters discussed at its meetings.

The company's CEO is responsible for the implementation and execution of the Code of Conduct confirmed by the Board of Directors, policies, and guidelines, including sustainability goals and action plans, within the company. The members of the Management Team are responsible for the implementation of the Code of Conduct and policies in their own areas of responsibility in accordance with the requirements set by the CEO. In 2025, the Management Team consisted of eight members, all of whom except the CEO were employees. Sustainability issues are regularly discussed by the company's Management Team, which was supported in 2025 by two steering groups focusing on sustainability issues.

The Sustainability Steering Group prepares the company's Sustainability program and objectives and monitors their implementation. The steering group includes members of the Management team covering the company's material sustainability issues, the head of sustainability, and other individuals in expert roles as needed. The steering group is chaired by the company's Chief Marketing, Communications and Sustainability Officer, under whose leadership the sustainability unit is responsible for coordinating the implementation of the Sustainability program. The CSRD Steering group supports the company's sustainability reporting with the task of ensuring the resourcing and compliance of reporting. Additionally, the group holds preliminary discussions on ESG topics that support reporting readiness and prepares the necessary materials for the company's Audit Committee and Board of Directors. The steering group is chaired by the company's CFO. The group consists of members of the Management team and experts who participate in the sustainability reporting process either directly or indirectly.

The company has extensive expertise related to sustainability, which supports the supervisory bodies in ensuring that the necessary information on sustainability issues, as well as identified impacts, risks, and opportunities, is available.

The company's Board of Directors, Audit Committee, and Management Team regularly assess the need to develop expertise in sustainability issues through their roles. Expertise is continuously developed through training and external experts, ensuring that the governance, management, and supervisory bodies have up-to-date and diverse information about material sustainability issues.

GOV-2 Information provided to and sustainability matters addressed by the company's administrative, management and supervisory bodies

As part of the review of the 2025 double materiality analysis process, the company's Board of Directors and Management Team discussed and approved the identified impacts, risks, and opportunities related to sustainability issues. Principles, actions, and targets related to sustainability issues and reporting are reported to the supervisory bodies whenever they are updated and when new principles, targets, or actions are developed.

In 2025, the company adopted an updated Sustainability program and practices to monitor the progress of the program and sustainability work. The Sustainability program and sustainability aspects were discussed at Board meetings as a separate item and as part of personnel updates, risk management, the policy process, and policy updates. The integration of the identified material sustainability matters with the company's strategy is presented in the section *Impacts of strategy on sustainability issues*.

The process to identify material impacts, risks and opportunities is presented in the section *Impact, risk and opportunity management*.

During the 2025 financial year, the following sustainability-related topics were discussed in the meetings of the company's Board of Directors, Audit Committee, and Remuneration Committee:

1) Board of Directors:

- Update and approval of the double materiality analysis
- Approval of the Sustainability statement
- ESG review
- Human resources and strategy
- Updating and approval of numerous internal policies, such as updates to the Whistleblowing policy and the Anti-bribery and corruption policy

2) Audit Committee:

- Sustainability statement
- Monitoring the implementation of internal audit findings related to sustainability issues
- Risk management, including risks related to data protection, cybersecurity, and ESG topics

- Review of numerous internal policies
- Various legislative and compliance reviews

3) Remuneration Committee:

- Personnel matters and strategy broadly, such as well-being, diversity, equity, and inclusion, as well as engagement

The following sustainability-related topics, among others, were discussed in the Management team meetings:

- Sustainability statement and update of the double materiality analysis
- Monitoring the progress of the Sustainability program
- Supplier Code of Conduct
- EU regulation in the ESG framework, such as the General Product Safety Regulation
- Circular economy services offered by the company
- EcoVadis sustainability assessment
- Risk management policy and processes, risk reviews
- Cybersecurity, data protection, and information security
- Employee satisfaction survey results, eNPS
- Personnel matters and strategy broadly, such as, occupational safety, well-being, competence development, diversity, equality, and inclusion, as well as engagement

GOV-3 Integration of sustainability-related performance in incentive schemes

The remuneration of the company's governing bodies is based on the company's remuneration policy. Remuneration Committee of the company's Board of Directors prepares the remuneration report for the board's review, and the board approves it for presentation to the general meeting. Shareholders make an advisory decision on the report at the annual general meeting. In accordance with the company's current remuneration policy, the remuneration applied in 2025 has supported the company's long-term financial success and the creation of shareholder value.

In 2025, the company's sustainability performance will be included in the short-term remuneration model for management with a total

weighting of 20%. Performance is assessed with a 10% weighting in relation to the target of keeping the return rate below one (1) percent annually for so-called 'change of minds', which supports the company's principle of selling products according to need while reducing customer returns and waste. In addition, performance is assessed with a 10% weighting in relation to the implementation of the Compliance program. The 2025 incentive system did not include targets directly related to greenhouse gas emissions.

GOV-4 Statement on due diligence

Core elements of due diligence	Paragraphs in the sustainability statement	Page numbers
a) Embedding due diligence in governance, strategy and business model	General information – <i>Governance</i> General information – <i>Strategy</i>	14–16, 17–19
b) Engaging with affected stakeholders in all key steps of the due diligence	General information – <i>Strategy</i> General information – <i>Impact, risk and opportunity management</i>	20–22, 24
c) Identifying and assessing adverse impacts	General information – <i>Strategy</i> General information – <i>Impact, risk and opportunity management</i>	22–23, 24
d) Taking actions to address those adverse impacts	E1, E2, E5, S1, S2, S4 – <i>Actions and resources</i> G1 – <i>Prevention and detection of corruption and bribery</i>	37, 43–44, 46–47, 52–53, 59, 61, 64
e) Tracking the effectiveness of these efforts and communicating	E1, E2, E5, S1, S2, S4 – <i>Targets (MDR-T, MDR-M)</i>	38–40, 44, 47–49, 54–56, 59, 62

GOV-5 Risk management and internal controls over sustainability reporting

Risks related to sustainability reporting are identified, assessed, evaluated, and managed as part of the company's comprehensive risk

management work. The company's Board of Directors has approved the company's risk management framework, which is based on the ISO 31000 standard. Risk management is an integral part of the company's management system and is managed according to an annual cycle. The company assesses risks based on their occurrence, probability, and impact, considering financial aspects as well as impacts on operations, safety, and strategic objectives.

The Sustainability statement is part of the company's external reporting, overseen by the company's CFO. The processes related to the preparation of the Sustainability statement are the responsibility of the finance department and the sustainability unit, including adhering to reporting timelines and identifying risks related to sustainability reporting. The risks related to sustainability reporting identified through the company's risk management process concern the adequacy of the reporting content and ensuring the availability and accuracy of background information. Appropriate measures are defined for managing the identified risks in accordance with the risk management process.

To ensure the comprehensiveness of the content and background information of the sustainability statement, the reporting is carried out by individuals familiar with the subject, who actively follow applicable directive standards and legislative developments. Additionally, roles have been defined to ensure the availability and accuracy of background information, responsible for collecting and providing the necessary information and implementing measures to supplement any missing information. Sustainability reporting is also supported by third-party assurance.

To monitor and further develop the internal control processes of sustainability reporting, the company has established monitoring controls, such as the CSRD Steering Group work described in the section Tasks and responsibilities of the administrative, management and supervisory bodies. The company continues to develop the internal control of sustainability reporting as part of its control environment. Progress in sustainability reporting, the availability of necessary information, and other observations related to reporting were regularly reported to the company's Management Team, Audit Committee, and Board of Directors as part of status reporting.

Strategy

SBM-1 Strategy, business model and value chain

The company is a Finnish retail company specializing in consumer electronics and home and leisure products, primarily operating in Finland. It serves both consumer and business customers online and through four stores located in Helsinki, Pirkkala, Raisio, and Oulu. The company's pick-up warehouses are located in Helsinki and Vantaa. Additionally, the company cooperates with marketplaces such as Amazon, engages in wholesale sales, and serves consumers through a direct sales channel in the EU and EEA regions.

The company's product range includes over 60,000 products, with more than 2,800 products under its private label brands. The core categories of the product range are computers and peripherals, TV and video, mobile devices, and home appliances. Additionally, the company also offers products from other categories, such as baby products, sports, and seasonal products. The company's range of services includes installation, maintenance, and recycling services, a trade-in service for used consumer electronics, visibility sales, and financing services provided through its partner Walley.

In 2025, the company's revenue was 526.5 million euros (467.8) and the net profit was 12.4million euros (-0.8). At the end of the year, the

company had 594 employees (615) of which 578 were in Finland (597), 14 in China (15), and 2 in Hong Kong (3).

The company's strategy guides its actions in gathering, developing, and securing production inputs.

- Significant production inputs and resources enabling operations:
 - Own workforce
 - Multichannel marketplace
 - Business enablers such as the supply chain and supplier relationships, local warehouses, delivery methods, and own ERP system and e-commerce platform
- Intangible assets such as brand and recognition, service concept, product expertise and assortment management, customer and transaction data, product information and reviews Financial resources
- Owners

The added value and benefits produced by the company for stakeholders:

- Employees: Salaries and rewards, career paths and skills development, community and engagement
- Customers: Wide product range and affordable prices, easy transactions, personalized customer experience, tailored services for business of all sizes, customer satisfaction
- Suppliers: Purchases and a modern distribution channel to reach consumer and business customers
- Owners: Profit
- Society: Taxes and tax-like payments
- Environment: Circular economy products and services to extend product lifecycles

The company's suppliers include well-known international electronics brands and wholesalers in Finland and abroad, as well as smaller suppliers. The company's procurement is decentralized and does not constitute a significant part of any supplier's annual production.

Value chain



Strategy

Verkkokauppa.com's vision is to create a new norm of buying and owning and to act as a market forerunner. The company is strengthening its position by accelerating the shift to online shopping, supported by the growth of fast deliveries. The cornerstones of Verkkokauppa.com's strategy are growing the current business faster than the market, new openings, such as assortment expansion, own brand products and new markets, significant growth of the services business, and stronger profitability by continuously developing its own operations and platform.

Impacts of strategy on sustainability issues

A responsible approach is a central part of Verkkokauppa.com's strategy and vision of creating a new norm for buying and owning. The company's sustainability-related targets form the company's Sustainability program, which key topics are sustainable consumption based on the circular economy, ensuring sustainable operations and supply chains, growth and well-being of the company's own personnel, and maintaining exemplary business practices. The program is set for the company's 2024–2028 strategy period and is aligned with the company's strategy and double materiality analysis. The program's targets apply to all customer segments and geographical areas.

The company has recognized that its strategic selection decisions have an impact on sustainability issues. The company's extensive supplier network and focus on consumer electronics require strong processes to ensure the responsibility of its supply chains. The company's most significant climate and other environmental impacts occur at the beginning of the value chain, which is characteristic of the retail sector, during the various stages of manufacturing the products sold. Ensuring good working conditions in the value chain also requires continuous development of processes. The environmental impacts related to the value chain are specified in the section *Detailed information about the process to identify and assess material impacts, risks, and opportunities related to the environment* and in topic-specific information.

The company's strategic target of increasing the share of private label products in revenue highlights the importance of sustainability issues

related to imports. In turn, the development of the service business, increases the company's opportunities to promote circular economy and thereby reduce several environmental impacts. The sale of used products and services that promote a circular economy are the most significant products and services related to the company's sustainability targets, although their share of the company's revenue is currently small.

The company's strategic focus on fast deliveries may increase the company's indirect greenhouse gas emissions from distribution in the short and medium term.

One of the key long-term sustainability challenges is reducing those indirect value chain emissions with which the company has no direct connection with, such as those arising from partnerships, as well as transitioning to a circular economy in a financially sustainable way.

The company considers all markets and customer groups equally significant in relation to sustainability targets. In terms of circular economy targets, the key product groups are those whose products retain significant resale value and whose purchase as used goods is already partially established, such as laptops and mobile phones.

The objectives, indicators, and 2025 results of the Sustainability program are summarized in the table below. Additionally, the KPIs, their background information, and development are described in connection with the relevant topics.



Verkkokauppa.Com's sustainability program

The company's own sustainability theme	ESRS topic	Target	KPI	Result in 2025
PASSIONATELY ON CUSTOMERS' SIDE FOR CIRCULAR FUTURE	E5	1. Double-digit annual growth in the sales of circular products, services and solutions	Growth of total net sales from circular products and services	1%
	E5	2. Extending trade-in service every year to cover relevant part of our HERO-assortment by 2028¹	Annual growth in the amount of categories covered with trade-in service	25%
	E5	3. Keeping product return rate under 1%	Product return rate (%) including "change of minds"	0.7%
ENSURING RESPONSIBLE OPERATIONS AND SUPPLY CHAINS	E1	4. Reducing emissions according to science-based targets (SBTi): • Scope 1 & 2 0 tCO ₂ e by 2025 ² • Scope 3: engaging suppliers and partners in SBTi targets, 78% in terms of emissions by 2030 ³	Greenhouse gas emissions, tons of CO ₂ e (scopes 1 and 2)	Q1-Q2: 6 tCO₂e Q3-Q4: 0 tCO₂e
	S2	5. Ensuring that purchases are made from suppliers who provide adequate working conditions	Share of partners committed to SBTi targets, measured in emissions	N/A ⁴
FOSTERING WELL-BEING AND SUCCESS OF OWN PERSONNEL	S1	6. Improving employee engagement to exceed benchmark by 2028⁶	Engagement score	7.0 (7.2⁷)
	S1	7. Improving employee well-being by 0.1 points annually	Well-being score	7.5 (7.7⁷)
	S1	8. Improving experience of diversity and inclusion by 0.1 points annually	DEIB score	7.9 (8.0⁷)
MAINTAINING EXEMPLARY BUSINESS CONDUCT	G1	Ensuring compliance by anticipating regulation and promoting a compliance culture throughout the organization. Performance is monitored as part of operational activities.		

¹The HERO product range refers to a well-circulating and online-suitable product selection of approximately 30,000 product codes defined in the company's strategy. This range supports the company's customer value promise of fast deliveries and includes the company's customers' most desired products.

²With regard to domestic operations

³The target set is preliminary. The final formulation of the target requires validation by the SBTi organization to ensure that the target is sufficient from the perspective of the 1.5-degree climate scenario.

⁴The company plans to start KPI reporting in 2026

⁵For example, in the form of a social responsibility audit

⁶The goal is to exceed the benchmark for consumer companies, which is updated annually. In 2025, the benchmark was 7.6.

⁷The benchmark is the company's previous year's result. The result for the year is reported as the result of the last measurement of the year.



SBM-2 Interests and views of stakeholders

The company's key stakeholders are its customers, personnel, suppliers, and other partners, as well as owners and the capital market. In addition, the company has assessed the key interests, views, and human rights perspective of its value chain workers.

The company engages in active dialogue with its stakeholders to strengthen understanding of expectations directed at the company and consider them in the company's strategy, business model, and responsibility program. Feedback from stakeholders is regularly discussed by the Management team and the Board of directors and is an integral part of the strategy process.

The company conducts regular surveys on sustainability topics to map the expectations of consumers and end users. The sustainability barometer surveys conducted in 2022 and 2024, which addressed consumer electronics and the sustainability of online stores, each gathered over ten thousand responses, and their results have been utilized in updating the company's strategy, double materiality analysis, and setting the targets of the Sustainability program as communicated in the survey.

The company reports on its strategy and progress transparently and up to date, enabling interested stakeholders to monitor the company's operations.

Stakeholder engagement

Key stakeholder groups	Interaction channels and cooperation	Key stakeholder interests and views and <i>human rights aspect</i> ¹	Meeting stakeholders' expectations and their impact on the company's operations, business model and strategy ²
Customers	<ul style="list-style-type: none"> Daily customer encounters Contacts through customer service channels Social media interactions Surveys, customer panels, customer satisfaction surveys Communications, advertising, newsletters Sustainability barometer Reporting channel 	<p>Consumer customers and end users:</p> <ul style="list-style-type: none"> Order arrivals, delivery times and availability, maintenance and warranty issues Product information Use of products and services Extending product lifespan Used products <i>Product safety</i> <i>Information security and protection</i> <i>Accessibility</i> <p>Corporate customers:</p> <ul style="list-style-type: none"> <i>Sustainability and compliance</i> 	<p>Consumer customers and end users:</p> <p>Development work related to:</p> <ul style="list-style-type: none"> Delivery speed, customer service, availability, displaying availability, maintenance and warranty services, product data, usability Circular economy product and services Other measures defined based on the sustainability barometer <i>Taking care of product safety and data security</i> <i>Accessibility</i> <p>Corporate customers:</p> <ul style="list-style-type: none"> <i>Sustainability and compliance</i>
Own workforce	<ul style="list-style-type: none"> Daily interactions Personnel survey and other questionnaires and participation Goal and development discussions Weekly newsletters, personnel meetings Informative interactions Workplace communication and discussion channels Supervisor coaching Training and personnel briefings Idea box for personnel ideas Task force Reporting channel 	<ul style="list-style-type: none"> Strategy, strategic communication, and implementation Community and team spirit <i>Salary and rewards</i> <i>Skill development</i> <i>Flexibility in working life</i> <i>Diversity, equality, and inclusion</i> <i>Physical and mental health</i> <i>Occupational safety</i> <i>Prohibition of harassment and discrimination</i> 	<ul style="list-style-type: none"> <i>Personnel policy, internal personnel development plan</i> <i>Diversity working group</i> <i>Pay exceeding the table wages in the collective agreement for the retail sector</i> <i>Employee benefits and rewards</i> <i>Role classification system</i> <i>Guidelines and support for supervisory work and management</i> <i>Tribe rules, Code of Ethics for Work Community Communications</i> <i>Inclusion and engagement channels</i> <i>Supporting growth and development</i> <i>Development of leadership and everyday leadership, goal and development discussions</i> <i>Flexible working arrangements</i> <i>Occupational health services and mental well-being support</i> <i>Intervention model on harassment and inappropriate treatment, principles for creating a safer space</i>
Suppliers and other partners	<ul style="list-style-type: none"> Partner meetings and regular interaction Trade fairs Supplier Code of Conduct and audits Product safety monitoring Surveys Reporting channel 	<ul style="list-style-type: none"> <i>Code of Conduct and contract terms</i> <i>Social responsibility audits</i> Emission reductions and emission calculations Cooperation and dialogue Investments in developing sustainability 	<ul style="list-style-type: none"> <i>Code of Conduct and contract terms</i> <i>Quality and safety of procurement</i> <i>Consideration of sustainability criteria in procurement decisions</i> <i>Development of sustainability in collaboration, investments, and material choices</i>
Owners and the capital markets	<ul style="list-style-type: none"> Active investor and analyst dialogue: reviews, meetings, visits, and presilent discussions Annual General Meeting Annual reporting and interim reports Capital market days Investor pages, social media channels, press releases Investor seminars and events Responding to surveys and assessments Reporting channel 	<ul style="list-style-type: none"> Profitable growth of the company's operations Supporting the fair valuation of the company's shares Dividend payment Applying principles of responsible investments Implementation of corporate responsibility 	<ul style="list-style-type: none"> Consistent, reliable, relevant, and up-to-date reporting on the operating environment, the company's financial performance, and sustainability issues Supporting the correct valuation of the company's shares and paying dividends Growing profitably Developing operations in accordance with the Sustainability program and achieving sustainability targets
Other considered stakeholders			
Workers in value chain	Social responsibility audits including employee interviews	<i>Implementation of labor rights and human rights, such as safe working conditions, adequate rest, a living wage, prohibitions of harassment, discrimination, forced labor, and child labor</i>	<ul style="list-style-type: none"> <i>Requirements set for suppliers</i> <i>Social responsibility audits and readiness for zero tolerance policy in accordance with the Amfori BSCI program for own imports and private label products</i>

¹ Human rights aspects are marked in italics

² Measures to correct or enable correcting human rights impacts are marked in italics

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The company conducted its double materiality analysis for the first time in early 2024 and updated the analysis in 2025. As a result of the assessment, seven material ESRS-topics have been identified for the company: E1 Climate change, E2 Pollution, E5 Circular economy and resource use, S1 Own workforce, S2 Value chain workers, S4 Customers and end users, and G1 Business operations. Of these, S1 Own workforce and S4 Customers and end users are material from both an impact and financial perspective. G1 Business operations is material from a financial perspective. The other topics are material only from an impact perspective.

ESRS Topic	Materiality for the company	Perspective for materiality	
		Impact	Financial
E1 Climate change	Material	✓	-
E2 Pollution	Material	✓	-
E3 Water and marine resources	-	-	-
E4 Biodiversity and ecosystems	-	-	-
E5 Resource use and circular economy	Material	✓	-
S1 Own workforce	Material	✓	✓
S2 Workers in the value chain	Material	✓	-
S3 Affected communities	-	-	-
S4 Customers and end-users	Material	✓	✓
G1 Business conduct	Material	-	✓

Responding to material impacts, risks, and opportunities and their interaction with business and strategy

The company's Sustainability program integrates sustainability aspects into the company's strategy and guides its implementation in business operations. The Sustainability program is based on a double materiality analysis and the company's strategy. The Sustainability program is presented in the table *Verkkokauppa.com's Sustainability program*.



Summary of material impacts, risks and opportunities based on a double materiality assessment

ESRS topic	Subtopic	Impact	Risks and opportunities	Location in the value chain	Time horizon
E1 Climate change	Climate change mitigation	<ul style="list-style-type: none"> – The procurement and production processes of raw materials, the transportation of products at different stages of the value chain, and the energy consumption of electronic products during their use generate greenhouse gas emissions 		Entire value chain	Short-term
	Energy				
E2 Pollution	Pollution of air, water and soil	<ul style="list-style-type: none"> – Hazardous chemicals and heavy metals used in the procurement of raw materials and during production, as well as electrical and electronic waste, pollute the air, water, and soil if end-users do not dispose of products properly 		Beginning and end of the value chain	Short-term
E5 Resource use and circular economy	Resource inflows including resource use	<ul style="list-style-type: none"> + Minimising resource consumption in packaging and other use of materials, favouring recycled materials, extending product life cycles by offering circular economy products, services and solutions, and reducing the use of primary resources through eco-design reduce the use of primary resource 		Entire value chain	Short-term
	Resource outflows related to products and services	<ul style="list-style-type: none"> + Minimizing packaging materials and optimizing material recyclability reduces waste 			
S1 Own workforce	Working conditions	<ul style="list-style-type: none"> + Prohibiting discrimination can reduce all forms of harassment, bullying, and discrimination 	<ul style="list-style-type: none"> + Motivated, skilled, and well-being staff can improve efficiency, increase customer satisfaction and sales, and reduce the likelihood of disability pensions 	Own activities	Short- and medium-term
	Equal treatment and equal opportunities for all	<ul style="list-style-type: none"> + Opportunities for professional development can increase commitment, a sense of meaningfulness in work, and well-being at work + Salaries and employee benefits that exceed industry standards increase and maintain employee satisfaction and well-being and motivate staff to achieve the company's goals 	<ul style="list-style-type: none"> + Offering opportunities for professional development can improve operational efficiency and reduce costs – Work accidents and sick leave can increase operating costs – Lack of or inadequate responsible HR practices can increase staff turnover 		
S2 Workers in the value chain	Working conditions	<ul style="list-style-type: none"> + The company's supplier requirements and monitoring practices encourage suppliers to improve working conditions and ensure that workers' rights are respected throughout the value chain 		Beginning of the value chain	Short-term
	Other work-related rights	<ul style="list-style-type: none"> – Violations of workers' rights can have a negative impact on workers and their families 			
S4 Consumers and end-users	Personal safety of consumers and/or end-users	<ul style="list-style-type: none"> + By enabling equal access to the company's products and services for all consumer groups, the company has a positive impact on the social inclusion of consumers 	<ul style="list-style-type: none"> + Equal access to products and services for all consumer groups can increase the company's sales 	End of the value chain	Short-term
	Social inclusion of consumers and/or end-users	<ul style="list-style-type: none"> – A potential neglect of product safety measures may lead to individual situations where the health or safety of customers is endangered 			
G1 Business conduct	Management of relationships with suppliers, including payment practices		<ul style="list-style-type: none"> + Fair business conduct, ethical practices, and due diligence practices can improve the company's reputation among suppliers and partners and enhance opportunities for long-term relationships and good commercial co-operation 	Own operations and the beginning of the value chain	Short-term

The positive impacts identified by the company are mainly related to the company's strategy. The negative impacts identified are mainly related to the company's industry. The company seeks to mitigate the identified negative impacts by developing its processes and working with suppliers and partners. The company estimates that the identified material risks and opportunities may affect its financial position and cash flows in the short and medium term as presented in the table. Based on

the assessment of the identified risks and opportunities, no material risks have been identified that would require significant adjustments to the carrying amounts of the reported assets or liabilities in the 2025 financial statements. Risks related to the company's personnel are monitored in accordance with the company's risk management process and managed as part of operational processes.

The material impacts, risks, and opportunities and their management are described in more detail in the relevant sections E1, E2, E5, S1, S2, S4, and G1. The impacts of the company's strategy on sustainability issues are described in section *SBM-1 Strategy, business model and value chain*.

Impact, risk and opportunity management

IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities

In 2025, the company reassessed and refined its double materiality analysis based on a more detailed understanding of the materiality process. As a result of the update, two new negative impacts were identified as material. The company's material topics remained unchanged, but one new sub-theme was added: S4.2 Personal safety of consumers and end-users. In connection with the analysis, the company deepened its climate resilience analysis and refined its scenario reporting, as described in topic E1 Climate change.

No changes were made to the dual materiality identification and assessment process compared to the previous year. The company's Board of Directors approved the updated dual materiality analysis in autumn 2025.

The process drew on previously collected stakeholder views, internal expertise from various departments within the organization, and support from external experts. The analysis considered the company's sustainability context across the entire value chain, i.e., key characteristics of its operations, such as its location, industry, and business structure, and their connection to sustainability factors. The double materiality analysis proceeded in four stages, starting with mapping the value chain and progressing to identifying impacts, risks, and opportunities. The process concluded with workshops, first prioritizing impacts and then focusing on assessing risks and opportunities.

Impact assessment and prioritization

In assessing and prioritizing impacts, the company examined its actual and potential impacts on the environment and people throughout the value chain. The assessment considered impacts on various stakeholders, covering all activities, business relationships, and geographical areas. The review included both direct impacts of the company and indirect impacts arising from business relationships, such as product manufacturing at the beginning of the value chain.

The process was also supported by essential stakeholder interviews, particularly to deepen the understanding of the company's impacts at the upstream end of the value chain. The assessment was conducted theme by theme, considering key sub-topics. Impacts were reviewed over short-, medium-, and long-term periods to determine when different sustainability factors would tangibly affect the business.

Identified impacts were prioritized based on their relative severity. Severity was assessed according to ESRS guidelines, considering the scale, scope, and remedability of the impacts. For potential impacts, their likelihood was also evaluated. In the case of potential negative human rights impacts, the severity of the impact takes precedence over its likelihood.

Risk and opportunity assessment and prioritization

In assessing risks and opportunities, the company's expert teams conducted targeted evaluations of financial risks and opportunities for each sustainability theme, considering the identified impacts.

The identification of risks and opportunities examined factors that affected or were reasonably expected to affect the company's financial position, financial performance, cash flows, access to financing, or cost of capital.

The assessment utilized the risk classification defined in the company's risk management process to evaluate the significance of risks and opportunities. For the quantitative assessment of risks and opportunities, the company's internal risk matrix was used. The matrix considered the magnitude and likelihood of impacts, defined in the context of the company's business environment and financial objectives. The magnitude of impacts was assessed on a scale based on the financial impact on revenue and categorized into five levels according to the company's risk management process. The assessment covered short-, medium- and long-term risk factors.

Scoring

The severity of the impacts was measured on a scale of 1 to 5, with 5 being the highest value. Similarly, the total score for risks and opportunities was calculated on a scale of 1–5, with 5 representing the greatest impact, which was multiplied by the probability. Impacts, risks, and opportunities

with a score of more than 3.75 were identified as material. The company's management determined the materiality threshold.

Detailed information about the process to identify and assess material impacts, risks, and opportunities related to the environment

Impacts, risks, and opportunities related to pollution, water resources, marine resources, resource use, and the circular economy were identified by screening the company's assets and operations across the value chain. To deepen the understanding of impacts at the beginning of the value chain, the company conducted an interview with a supplier. The interview aimed to provide a comprehensive view of environmental impacts and potential social impacts related to production. Additionally, information was gathered about circular economy perspectives, such as product lifecycle management and opportunities for improving the value chain. However, the company has not identified any communities that would be directly affected by its operations and has therefore not organized any consultations with communities.

Impacts on water and marine resources were identified at the beginning of the value chain, where the production of consumer electronics generates environmental impacts, particularly through the mining of minerals required for manufacturing. The company does not have its own production facilities, and its locations are not in high water-risk areas.

Impacts, risks, and opportunities related to biodiversity were identified at the beginning of the value chain in relation to the raw materials used in the manufacture of products sold, transportation at various stages of the value chain, and greenhouse gas emissions generated along the value chain. Additionally, the company has identified transition and systemic risks related to biodiversity in connection with logistics routes and supply chains. The company's sites are not located in or near areas that are sensitive in terms of biodiversity.

For topics identified as material, information has been specified in connection with topic-specific information. The company continuously monitors changes in its operating environment and assesses their impact on materiality. The double materiality analysis is reviewed annually and updated as necessary.

IRO-2 Disclosure requirements in ESRS covered by the undertaking's Sustainability statement

ESRS 2 – General information			
Disclosure requirement	Description	Page number	Additional information
BP-1	General basis for preparation of sustainability statements	14	
BP-2	Disclosures in relation to specific circumstances	14	
GOV-1	The role of the administrative, management and supervisory bodies	14–15	
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	15–16	
GOV-3	Integration of sustainability-related performance in incentive schemes	16	
GOV-4	Statement on due diligence	16	
GOV-5	Risk management and internal controls over sustainability reporting	16	
SBM-1	Strategy, business model and value chain	17–19	
SBM-2	Interests and views of stakeholders	20–21	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	22–23	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	24	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	25–27	

E1 – Climate change			
Disclosure requirement	Description	Page number	Additional information
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes	16	
E1-1	Transition plan for climate change mitigation	36	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	35–36	
ESRS 2, IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	35	
E1-2	Policies related to climate change mitigation and adaptation	36	
E1-3	Actions and resources in relation to climate change policies	37	
E1-4	Targets related to climate change mitigation and adaptation	38	
E1-5	Energy consumption and mix	39	
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	40	
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	NA	Not material
E1-8	Internal carbon pricing	N/A	Not material
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	N/A	Phase-in applied

E2 – Pollution			
Disclosure requirement	Description	Page number	Additional information
ESRS 2, IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	43	
E2-1	Policies related to pollution	43	
E2-2	Actions and resources related to pollution	43–44	
E2-3	Targets related to pollution	44	
E2-4	Pollution of air, water and soil	N/A	Not material
E2-5	Substances of concern and substances of very high concern	N/A	Not material
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	N/A	Not material

E5 – Resource use and circular economy			
Disclosure requirement	Description	Page number	Additional information
ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	45	
E5-1	Policies related to resource use and circular economy	45–46	
E5-2	Actions and resources related to resource use and circular economy	46–47	
E5-3	Targets related to resource use and circular economy	47	
E5-4	Resource inflows	48	
E5-5	Resource outflows	48	
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	N/A	Phase-in applied

S1 – Own workforce			
Disclosure requirement	Description	Page number	Additional information
ESRS 2, SBM-2	Interests and views of stakeholders	20–21	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	22–23	
S1-1	Policies related to own workforce	51	
S1-2	Processes for engaging with own workers and workers' representatives about impacts	51–52	
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	52	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	52–53	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	53–54	
S1-6	Characteristics of the undertaking's employees	54	
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	54	
S1-8	Collective bargaining coverage and social dialogue	54	
S1-9	Diversity metrics	55	
S1-10	Adequate wages	55	
S1-11	Social protection	55	
S1-12	Persons with disabilities	N/A	Not material
S1-13	Training and skills development metrics	55	
S1-14	Health and safety metrics	55	
S1-15	Work-life balance metrics	55	
S1-16	Compensation metrics (pay gap and total compensation)	55	
S1-17	Incidents, complaints and severe human rights impacts	55–56	

S2 – Workers in value chain			
Disclosure requirement	Description	Page number	Additional information
ESRS 2, SBM-3	Interests and views of stakeholders	20–21	
S2-1	Material impacts, risks and opportunities and their interaction with strategy and business model	22–23	
S2-2	Policies related to value chain workers	57	
S2-3	Processes for engaging with value chain workers about impacts	58	
S2-4	Processes to remediate negative impacts and channels for value chain workers to raise concerns	58	
S2-5	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	59	
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	59	

S4 – Consumers and end-users			
Disclosure requirement	Description	Page number	Additional information
ESRS 2, SBM-2	Interests and views of stakeholders	20–21	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	22–23	
S4-1	Policies related to consumers and end-users	60	
S4-2	Processes for engaging with consumers and end-users about impacts	60–61	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	61	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions	61	
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	62	

G1 – Business conduct			
Disclosure requirement	Description	Page number	Additional information
ESRS, GOV-1	The role of the administrative, supervisory and management bodies	14–15	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	24	
G1-1	Corporate culture and business conduct policies	63	
G1-2	Management of relationships with suppliers	64	
G1-3	Prevention and detection of corruption and bribery	64	
G1-4	Confirmed incidents of corruption or bribery	64	
G1-5	Political influence and lobbying activities	N/A	Not material
G1-6	Payment practices	64	

List of datapoints in cross-cutting and topical standards derive from EU legislation

Disclosure Requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality for Verkkokauppa.com	Section and page number
ESRS 2 GOV-1	Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816(5), Annex II		✓	15
ESRS 2 GOV-1	Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		✓	15
ESRS 2 GOV-4	Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				✓	16
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453(6)Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		✗	N/A
ESRS 2 SBM-1	Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		✗	N/A
ESRS 2 SBM-1	Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818(7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		✗	N/A
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		✗	N/A
ESRS E1-1	Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	✓	36
ESRS E1-1	Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		✓	36
ESRS E1-4	GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		✓	38
ESRS E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				✓	39

Disclosure Requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality for Verkkokauppa.com	Section and page number
ESRS E1-5	Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				✓	39
ESRS E1-5	Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				✓	39
ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		✓	40
ESRS E1-6	Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		✓	40
ESRS E1-7	GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	✗	N/A
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		✗	N/A
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47;			✗	N/A
ESRS E1-9	Location of significant assets at material physical risk paragraph 66 (c).		Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			✗	N/A
ESRS E1-9	ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			✗	N/A
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		✗	N/A
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				✗	N/A

Disclosure Requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality for Verkkokauppa.com	Section and page number
ESRS E3-1	Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				X	N/A
ESRS E3-1	Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				X	N/A
ESRS E3-1	Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				X	N/A
ESRS E3-4	Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				X	N/A
ESRS E3-4	Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				X	N/A
ESRS 2 – IRO-1 – E4	Paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				✓	27–28
ESRS 2 – IRO-1 – E4	Paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				✓	27–28
ESRS 2 – IRO-1 – E4	Paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				✓	27–28
ESRS E4-2	Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				X	N/A
ESRS E4-2	Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				X	N/A
ESRS E4-2	Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				X	N/A
ESRS E5-5	Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				✓	48
ESRS E5-5	Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				✓	48
ESRS 2 – SBM-3 – S1	Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				✓	50
ESRS 2 – SBM-3 – S1	Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				✓	50
ESRS S1-1	Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				✓	51
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		✓	51
ESRS S1-1	Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				✓	51

Disclosure Requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality for Verkkokauppa.com	Section and page number
ESRS S1-1	Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				✓	47
ESRS S1-3	Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				✓	51
ESRS S1-14	Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		✓	55
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				✓	55
ESRS S1-16	Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		✓	55
ESRS S1-16	Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				✓	55
ESRS S1-17	Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				✓	55
ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		✓	55
ESRS 2 – SBM-3 – S2	Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				✓	57
ESRS S2-1	Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				✓	57–58
ESRS S2-1	Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				✓	57–58
ESRS S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		✓	57–58
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		✓	57–58
ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				✓	59
ESRS S3-1	Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				✗	N/A

Disclosure Requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality for Verkkokauppa.com	Section and page number
ESRS S3-1	non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		X	N/A
ESRS S3-4	Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				X	N/A
ESRS S4-1	Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				✓	60
ESRS S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		✓	60
ESRS S4-4	Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				✓	61
ESRS G1-1	United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				✓	63
ESRS G1-1	Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				✓	63
ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		✓	64
ESRS G1-4	Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				✓	64

MDR-P Policies adopted to manage material sustainability matters

The views of key stakeholders have been taken into account in the formulation of policies. The company's Management Team monitors the implementation of the policies. More detailed content and application of the policies are presented in connection with each material topic.

All listed policies are available on the company's website in Finnish and English, with the exception of the Anti-Corruption and Anti-Bribery Policy, which is an internal document of the company.

Policy and ESRS topic ¹	Main contents	Scope	Responsibility
Code of Conduct E1, E2, E5, S1, S2, S4, G1	Defines the company's way of operating in relation to customer-oriented activities, communication, marketing, disclosure, personnel and corporate culture, cooperation with partners, prevention of corruption and bribery, human rights and labor rights, data security and protection, environment, compliance with laws, and the reporting channel.	Applies to own workforce and management and compliance is also required from the company's suppliers and partners globally	<ul style="list-style-type: none"> The CEO is responsible for implementation and delegates responsibilities to the Management Team members if necessary The legal unit assists the CEO in updates and changes to the Code of Conduct Approved by the Board
Supplier Code of Conduct E1, E2, E5, S2	Respect for human rights, themes of social and environmental responsibility, and risk materials	Entire value chain globally	<ul style="list-style-type: none"> The Chief Commercial Officer is responsible for implementation and compliance Approved by the Board
Environmental policy E1, E2, E5	Reduction of greenhouse gas emissions, environmental protection and pollution prevention, packaging and material choices, circular economy and product lifespan extension, eco-design, waste minimization, and directing waste for reuse. Principles for identifying, preventing, and mitigating potential and actual harmful environmental impacts.	Own operations and value chain globally	<ul style="list-style-type: none"> The Chief Marketing, Communications and Sustainability Officer is responsible for implementation and compliance Approved by the Management Team
Personnel policy S1	The operating principles related to the own workforce concerning the identification, prevention, and mitigation of potential and actual negative impacts on personnel, compliance with human rights, and the principle of avoiding causing or contributing to negative human rights impacts	Own operations globally	<ul style="list-style-type: none"> The Chief HR Officer is responsible for implementation and compliance Approved by the Management Team.
Anti-Bribery and Anti-Corruption Policy G1	Zero tolerance for bribery, corruption, and other unethical influence; identification and prevention of corruption and bribery; regulations concerning gifts, hospitality, product loans, discounts, participation in company trips and sales competitions, as well as the approval process related to these	Own operations and value chain globally	<ul style="list-style-type: none"> The CEO is responsible for implementation and compliance supported by the Management Team Approved by the Board
Whistleblowing policy G1	The principles of the reporting channel available for all stakeholders	Own operations and value chain globally	<ul style="list-style-type: none"> The CFO is responsible for implementation and compliance Approved by the Board
Risk management policy G1	The company's risk management framework for ensuring the achievement of business objectives, operational continuity, disruption-free functioning, and security, covering the company's operating environment, processes, services, projects, and procurement	Applies to own workforce and management globally	<ul style="list-style-type: none"> The Chief Information Officer is responsible for reporting identified risks to the Audit Committee and Board The CEO is responsible for compliance Approved by the Board
Data security policy G1	A comprehensive information security management system that ensures the confidentiality, integrity and availability of information that creates a secure environment for customers and employees	Applies to all employees and management globally	<ul style="list-style-type: none"> The Chief Information Officer is responsible for implementation and compliance Approved by the Management Team

¹The ESRS topic/s for which the policy addresses the related material impacts, risks and opportunities

ENVIRONMENT

Information about the taxonomy of sustainable finance

The company presents the information required under the EU Taxonomy for sustainable finance in accordance with the European Commission Delegated Regulation (EU) 2021/2178 and the amending Delegated Regulation (EU) 2026/73, applicable as of 1 January 2026.

The EU Taxonomy for sustainable finance is a classification system designed to direct capital flows towards sustainable investments and to support the achievement of a climate neutral European Union by 2050. Activities typical of the retail sector are currently not specifically listed in the classification system.

In 2025, the company's business consisted of retail sales and the sales of its supporting services. The company has reviewed its operations to identify activities in its business that would be eligible and aligned with

taxonomy. The company's interpretation is that a significant part of its business activities falls outside the scope of the classification system.

The company has not identified any Taxonomy eligible capital expenditures or operating expenditures for 2025. A portion of the company's 2025 revenue, relating to the sale of used consumer electronics, has been identified as Taxonomy eligible in connection with circular economy activities. However, the cumulative revenue from these activities represents less than 10 percent of total revenue, which is below the materiality threshold defined in the amending regulation. Consequently, the company does not report the share of Taxonomy eligible revenue on the basis of non-materiality.

The company reports the summary table required under Delegated Regulation (EU) 2026/73 (Template 1). Revenue, capital expenditures (CapEx) and operating expenditures (OpEx) are reported as non Taxonomy eligible. Reported revenue is consistent with the consolidated income statement and Note 7.2 of the consolidated financial statements. Capital expenditures include additions to property, plant and equipment, intangible assets and right of use assets during the financial year and reconcile with the additions to right of use assets presented in Notes 7.13–7.15 of the consolidated financial statements.

EU Taxonomy Template 1: Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year 2025															
KPI (1)	Total (2)	Proportion of Taxonomy eligible activities (3)	Taxonomy aligned activities (4)	Proportion of Taxonomy aligned activities (5)	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non-material (14)	Taxonomy aligned activities in previous financial year (2024) (15)	Proportion of Taxonomy aligned activities in previous financial year (2024) (16)
					Climate Mitigation (6)	Climate Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)					
	EUR m	%	EUR m	%	%	%	%	%	%	%	%	%	EUR m	%	
Turnover	526.5	0%	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	0	0%
CapEx	3.2	0%	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	0	0%
OpEx	6.7	0%	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	0	0%

E1 – Climate change

SBM-3 Material impacts, risks, and opportunities related to climate change mitigation and energy, and their interaction with strategy and business model

E1.2 Climate change mitigation			
Impacts	Opportunities and risks	Location in the Value Chain	Management
<p>– The procurement and production processes of raw materials are energy-intensive and cause significant greenhouse gas emissions</p>	None identified	The beginning of the value chain through business relationships	<ul style="list-style-type: none"> • Commitment to Science based targets (SBTi) • Climate-related requirements for suppliers, including encouraging them to commit to the SBTi initiative, to set Science based targets for reducing GHG emissions and to improve the availability of emissions data, as well as a requirement to provide information on emissions and climate targets upon request • The right to prioritize and select suppliers who are committed or are committing to the SBTi initiative, as stated in the supplier guidelines • Development of the company's own emissions calculation • Solutions and business models aimed at extending product life cycles
<p>– The transport of products at various stages of the value chain causes greenhouse gas emissions (negative actual impact).</p>	None identified	The entire value chain through business relationships	<ul style="list-style-type: none"> • Collaboration with freight and distribution partners to reduce logistics emissions • Automation and route optimization • Minimizing air freight • Transitioning to renewable fuels in freight transport where possible
E1.3 Energy			
<p>– The energy consumption of electronic devices during their use phase contributes to climate change and increases greenhouse gas emissions (negative actual impact)</p>	None identified	End of value chain	<ul style="list-style-type: none"> • Offering energy-efficient products and developing product information • Guiding customers in the selection and use of energy-efficient products

IRO-1 Description of the process to identify and assess material climate-related impacts, risks, and opportunities

The company has assessed the material sources of emissions throughout its value chain and identified the material emission categories to be reported in collaboration with an external expert. The materiality of emission sources is reviewed annually in connection with emission calculations. With regard to climate change, the company assesses the climate resilience of its own operations and the various stages of the value chain from the perspective of the risks posed by the 1.5-degree climate scenario. Based on the analysis, no material financial climate risks have been identified, and the company therefore sees no need to update its strategy in the 1.5-degree scenario. The risks have been identified at a general level, and the company has not used a separate method to identify risks in the climate resilience analysis.

Climate change resilience and scenario analysis

As part of the update of the 2025 double materiality analysis, the company assessed climate risks in accordance with the 1.5-degree climate scenario and the climate resilience of its own operations and the various stages of the value chain from the perspective of the risks posed by the 1.5-degree climate scenario.

The company determined whether the identified risks are physical (acute or chronic) climate risks or transition risks (risks related to regulation, technology, markets, or reputation). The company prepared a management practice for each climate risk. The time frame of 0–5 years and the scope covering the entire value chain were consistent with the double materiality analysis. The company has not identified any material financial risks or opportunities related to climate change and does not report on them in its financial reporting.

According to the company's assessment, the physical risks related to climate change mainly occur at the beginning of the value chain. Physical risks may occur, for example, as a result of extreme weather events, which may cause disruptions in the supply chain and require rapid

response measures. Transition risks may arise in connection with supplier management, for example, as regulations become stricter. The company estimates that its own operations are not significantly exposed to extreme weather events caused by climate change due to their location, so physical risks related to climate change were assessed as not material to its own operations. Extreme weather events pose physical risks to the production and transportation of products sold at the beginning of the value chain. Transition risks were identified in the challenges faced by suppliers in adapting to emission reduction targets and changing legislation. These risks were nevertheless assessed as not material, due to the company's broad product assortment and its extensive supplier and partner network, which is spread across multiple geographical regions, providing resilience also in other areas of the upstream value chain. In addition, the company's risk management includes preparedness for supply chain disruptions by securing alternative partners and transportation routes for potential contingency situations.

The company estimates that there are uncertainties associated with the identified risks and that conducting a broader climate scenario analysis could lead to the identification of potential new climate risks or a reassessment of the materiality of existing risks. The company reviews climate risks annually as part of its double materiality assessment and makes changes as necessary. The scope of possible future resilience and scenario analyses will also be assessed considering possible changes in legislation and standards.

E1-1 Transition plan for climate change mitigation

The company considers that it has succeeded in its goal of reducing its own emissions in Finland to zero by the end of 2025 and therefore sees no need to draw up a transition plan in this respect. The company plans to draw up a transition plan or climate roadmap for climate change mitigation once it has obtained validation for its climate targets, confirming that they are in line with the Paris Agreement and the EU's climate targets. The implementation method and scope of the plan will also be assessed in the future considering possible changes in legislation and standards.

E1-2 Policies related to climate change mitigation and adaptation

The company's Operating practices and principles, including Guidelines on environmental impacts, are described in the company's Code of Conduct. The company's Operating principles related to climate change mitigation, energy efficiency, and the adoption of renewable energy are specified in the company's Environmental Policy.

The key content of the Environmental Policy with regard to climate change covers the commitment to the goals of the international climate conference. The company conducts an annual carbon footprint calculation covering the entire value chain and develops its emissions calculations in order to be prepared to set absolute emissions reduction targets.

In its Environmental Policy, the company is committed to reducing emissions from its own operations by investing in energy efficiency, primarily by purchasing electricity, heating and cooling energy produced from renewable energy and promoting the use of renewable energy in the properties it leases.

In addition, the company is committed to reducing logistics emissions in cooperation with its freight and distribution partners, minimizing air freight shipments, and switching to renewable fuels for freight transport whenever possible.

Requirements concerning climate and energy issues for suppliers were specified during the reporting year and are expressed in the company's Supplier Code of Conduct. The company encourages its suppliers to commit to the SBTi initiative to set their own science-based targets for reducing greenhouse gas emissions and to improve the availability of emissions data. Failure to commit may affect the selection of suppliers, the continuation of cooperation, or the renewal of contracts. Suppliers should seek ways to reduce their energy consumption and greenhouse gas emissions and favor the use of renewable energy where possible.

The scope, responsibilities, and availability of the company's policies are presented in the section *MDR-P Policies adopted to manage material sustainability matters*.



E1-3 Actions and resources in relation to climate change policies

Emissions reduction method Action	Time horizon	Scope	GHG Scope	Achieved or anticipated greenhouse gas emission reduction
Transition to emission-free energy sources				Achieved: emissions have decreased by 99% (-571 tCO ₂ e) compared to the baseline year 2019
Improving energy efficiency	2021–2025	Own operations in Finland	1 and 2	Information on the distribution of the reductions at the activity or measure level is not available
Engaging suppliers and partners in emission reduction	2024–2028	Suppliers at the beginning of the value chain and partners worldwide	3	Information on the distribution of the reductions has not been assessed
Other actions	2021–2025	End of the value chain	3	Emissions have decreased by 98% (-1,211 tCO ₂ e) compared to the 2021 baseline year, when the emissions from the advertising leaflet were 1,237 tCO ₂ e

The company reports on indirect scope 3 emission reductions to the extent available

Actions to reduce emissions from own operations

During the reporting year, the company continued to implement its Environmental Policy to reduce emissions from its own operations. All purchased electricity, district heating, and district cooling used in the company's operations in Finland will be emission-free from summer 2025 onwards. The electricity purchased by the company itself was EPD-certified electricity produced from renewable energy. The company is committed to purchasing solar power at those locations where it is available. From the beginning of 2025, the company's cooling will be produced using renewable energy sources. The company is constantly looking for ways to improve energy efficiency.

Actions to reduce indirect emissions

The company aims to reduce indirect emissions in the value chain by engaging suppliers and partners in emission reduction efforts. In early 2025, the company committed to science-based climate targets (SBTi), which the company believes will support its ability to achieve its goal.

The company has not yet specified measures to reduce emissions or means of decarbonization.

During the reporting year, the company conducted a study on its suppliers' commitment to SBTi -climate targets and developed its capacity to collect supplier- and brand-specific data, thereby strengthening its capabilities for implementing, monitoring, and reporting on SBTi -targets. During the reporting year, the company prepared for the start of the validation process for its climate targets. The company updated its Supplier Code of Conduct, including requirements for suppliers regarding climate and energy issues.

During the reporting year, the company continued its development work to refine its emissions calculations and set absolute emissions targets. The company's goal is to refine its calculations and make the emissions caused by product manufacturing visible in product information, which requires better availability of product-specific emissions data. The company has not yet set an absolute target for reducing indirect scope 3 emissions, as the company's emissions

calculation is currently based largely on estimates. In 2025, the company's scope 3 emissions increased by 23% from the previous year and amounted to 212,993 tCO₂. The increase in emissions was due to growth in revenue, particularly from increased sales of televisions and computers.

Resources for climate change mitigation

Working time has been allocated within the procurement, logistics and sustainability functions to prevent and mitigate the negative environmental impacts of the company's own operations and value chain. The implementation of the planned development measures did not result in significant capital expenditures (CapEx) or operating expenses (OpEx) during the reporting year, and no separate CapEx plans have been prepared for emission reduction measures. The medium-term resources are planned to be further specified in accordance with the timetable described in section *E1-1 Transition plan for climate change mitigation*.

The company does not have significant greenhouse gas or energy-intensive assets that would cause greenhouse gas emissions lock-in and transition risk for achieving emissions reduction targets.

E1-4 Targets related to climate change mitigation and adaptation

Target	KPI	Result 2025	Target result	Target year
Reducing emissions from own operations (scope 1 and 2) ¹	Greenhouse gas emissions, tons of CO ₂ e (scopes 1 and 2)	Q1–Q2: 6 tCO ₂ e Q3–Q4: 0 tCO ₂ e	0	2025
Engaging suppliers and partners in SBTi targets, 78% in terms of emissions by 2030 ³	Share of partners committed to SBTi targets, measured in emissions	N/A ²	78% ³	2030

¹ For domestic operations

² The company plans to start KPI reporting in 2026

³ The target set is preliminary. The final formulation of the target requires validation by the SBTi organization to ensure that the target is sufficient from the perspective of the 1.5°C climate scenario.

Additionally, the company believes that its circular economy targets help manage the negative impacts related to climate change, as extending product lifecycles reduces the need for manufacturing new products, thereby reducing greenhouse gas emissions from raw material procurement and production processes. The circular economy targets and progress in them are described in section *E5 – Resource Use and Circular Economy*.

Progress towards targets

The company's own emissions decreased by 79% from the previous year and were minimal, 6 tCO₂e, which according to the Finnish Environment Institute corresponds to the average annual emissions of approximately one Finnish person. These emissions have decreased by 99% compared to the reference year 2019. The company's domestic operations did not generate any emissions in the second half of the reporting year. The company considers that it has succeeded in its goal of reducing its domestic emissions to zero by 2025. During the reporting year, the company strengthened its capabilities to report on the achievement of its climate goals for the value chain starting in 2026.

MDR-T Tracking effectiveness of policies and actions through targets

The company's greenhouse gas emission reduction target for its own operations is absolute and applies to the company's domestic operations. The reason for this limitation is that the target was set before the company's foreign operations were acquired and the emissions from these operations are negligible. The target is compared to the base year 2019, when the company began calculating emissions and when the company's market-based emissions from its own operations were 581 tCO₂e. The target does not specify separate reduction percentages for scope 1 or scope 2 emissions. Section E1-6 reports the company's scope 1 and scope 2 emissions globally, with a base year of 2024.

The value chain target is relative and covers the company's indirect emissions from products sold and their transportation globally. The company plans to start KPI reporting in 2026. No separate base year or value has been defined for the value chain target. Critical assumptions regarding greenhouse gas emission reduction targets consider that growth in sales volumes will increase total emissions.

The targets were set based on the views of stakeholders on the impacts of climate change and considering the key expectations of customers and suppliers, as described in the table *Stakeholder engagement*.

The company has not specifically assessed how the targets consider the broader context of sustainable development or the local situation in the area affected.

E1-5 Energy consumption and mix

Energy consumption and mix	2024 ¹	2025
Consumption of fuel derived from coal and coal products (MWh) ²	0	0
Consumption of fuel derived from crude oil and oil products (MWh) ²	7	4
Fuel consumption from natural gas (MWh) ²	0	0
Fuel consumption from other fossil sources (MWh) ²	0	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	383	75
Total fossil energy consumption (MWh)	390	79
Share of consumption from nuclear sources of total energy consumption (%)	6%	1%
Consumption from nuclear sources (MWh)	886	201
Share of consumption from nuclear sources of total energy consumption (%)	14%	4%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	0	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	4,939	5,451
The consumption of self-generated non-fuel renewable energy (MWh)	0	0
Total renewable energy consumption (MWh)	4,939	5,451
Share of renewable sources of total energy consumption (%)	79%	95%
Total energy consumption (MWh)	6,215	5,731

¹ The consumption data for 2024 has been adjusted retrospectively based on more accurate information obtained later, and some of the energy consumption data has been specified in accordance with the original guarantee of origin certificate.

² The company will report a breakdown of its consumption of different fossil fuels for the first time in 2025. The data for 2024 has been reported retrospectively.

Energy intensity per net revenue	2024	2025
Total energy consumption from activities in high climate impact sectors per net revenue (MWh)	6,215	5,731
Energy intensity (MWh/thousand euros)	0.013	0.011
Net revenue used to calculate energy intensity (thousand euros)	467,829	526,489
Total net revenue (in the financial statements)	467,829	526,489



E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

	Retrospective				Milestones and target years ²			
	Base year (2024)	Comparative 2024	2025	Year-on-year change (%)	2025	2030	2050	Annual % target / Base year ²
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO ₂ eq) ¹	2	2	1	-42%	0	0	0	N/A
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	N/A	0	0	0	N/A
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	176	176	263	49%	N/A	N/A	N/A	N/A
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	38	38	12	-69%	0	0	0	N/A
Significant scope 3 GHG emissions								
Total Gross indirect (scope 3) GHG emissions (tCO₂-eq)	172,765	172,765	212,993	23%	N/A	N/A	N/A	N/A
1 Purchased goods and services	145,283	145,283	183,370	26%	N/A	N/A	N/A	N/A
2 Capital goods	0	0	45	N/A	N/A	N/A	N/A	N/A
3 Fuel and energy-related activities (not included in scope 1 or scope 2 emissions)	215	215	274	27%	N/A	N/A	N/A	N/A
4 Upstream transportation and distribution	1,114	1,114	1,031	-7%	N/A	N/A	N/A	N/A
5 Waste generated in operations	33	33	14	-57%	N/A	N/A	N/A	N/A
6 Business traveling	125	125	104	-16%	N/A	N/A	N/A	N/A
7 Employee commuting	240	240	276	15%	N/A	N/A	N/A	N/A
9 Downstream transportation	2,047	2,047	2,234	9%	N/A	N/A	N/A	N/A
11 Use of sold products ¹	23,137	23,137	25,565	10%	N/A	N/A	N/A	N/A
12 End-of-life treatment of sold products	571	571	80	-86%	N/A	N/A	N/A	N/A
Total GHG emissions								
Total GHG emissions (location-based) (tCO ₂ -eq)	172,941	172,941	213,256	23%	N/A	N/A	N/A	N/A
Total GHG (market-based) (tCO ₂ eq)	172,803	172,803	213,005	23%	N/A	N/A	N/A	N/A

¹Emissions data for 2024 has been adjusted to ensure comparability. Further details are provided in section E1 – Indicator development principles.

²The reporting schedule and monitoring of emission targets are presented in section E1-4 Targets related to climate change mitigation and adaptation.

GHG intensity per net revenue	2024	2025
Total GHG emissions (location-based) per net revenue (tCO ₂ -eq./thousand euros) ¹	0.37	0.41
Total GHG emissions (market-based) per net revenue (tCO ₂ -eq./thousand euros) ¹	0.37	0.40
Net revenue used to calculate GHG intensity (thousand euros)	467,829	526,489
Total net revenue (in financial statements)	467,829	526,489

¹The baseline year intensity figures have been restated based on the updated 2024 emissions data

E1 – REPORTING PRINCIPLES FOR METRICS

The company's operations are classified under industry category G, Wholesale and retail trade, which is one of the industries with a significant impact on the climate.

Energy consumption

The company reports purchased electricity, heating and cooling for all its locations, excluding the Hong Kong office, which has two employees and is considered not material. The company does not itself produce electricity, heat, or cooling. Data on purchased electricity, heating, and cooling is collected from meters at the company's locations, and details as well as energy sources, are obtained directly from the electricity suppliers' online portals or from reports provided by property representatives, and for the operations in China, from invoices. The company does not have a reporting system for calculating energy consumption. The share of renewable energy is calculated by dividing the amount of energy from renewable sources by total energy consumption.

The consumption data for 2024 has been adjusted retrospectively based on more accurate information obtained, and some of the energy consumption data has been specified in accordance with the original guarantee of origin certificate. The adjustments have no impact on the company's emissions. The share of renewable electricity purchased by the company in 2024 was 95% instead of the previously reported 100%. The share of renewable energy in total consumption was 81% instead of the previously reported 83%. The share of energy from nuclear sources in total consumption was 14% instead of the previously reported 12%.

Estimations in energy consumption data and possible limitations of calculation principles

In locations where energy consumption data pertains to the entire property or shopping center, and the company only rents a part of the property, the company's share of energy consumption is calculated based on the rented square meters. The data for rented square meters is provided by property representatives. If data for a specific month is

unavailable from the supplier or online portals, consumption is estimated based on the data available from the previous or following month.

The share of renewable electricity is based on guarantee of origin certificates. If the electricity's origin is not specified in the guarantee of origin certificates, or if its origin cannot otherwise be verified, it is assumed that no renewable electricity is used.

The underlying assumption for the electricity consumption metrics is that the data collected from portals and suppliers is comprehensive, realistically representing the company's energy consumption and origin. However, the company acknowledges that there may be uncertainties in the data.

Emissions calculation

The company's greenhouse gas emissions are calculated in accordance with the Greenhouse Gas (GHG) Protocol. The reporting scope is based on operational control and includes all the Group's locations except for the Hong Kong office, which has two employees and is considered not material. The reporting covers direct greenhouse gas emissions (scope 1), indirect emissions from the purchase of electricity, heating, and cooling (scope 2), and indirect emissions that occur in the value chain (scope 3).

The company reports emissions in carbon dioxide equivalents (CO₂e). A carbon dioxide equivalent is a common unit that refers to different greenhouse gases included in the GHG Protocol (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃).

The company does not have a separate reporting system for calculating scope 1, 2, or 3 emissions.

99.78% of Scope 3 emissions are calculated based on primary data, such as sales volumes, supplier reports, and data obtained from company's own systems. Only 0.25% is based on secondary data, such as estimates in euros. Despite the high share of primary data, uncertainties remain in the calculations, as the emission factors are defined at the main category level and may not accurately reflect the emissions of individual products. The calculation provides a good overall picture, but it may not capture the actual emissions of specific products, which highlights the need for further development work in the future.

In 2025, the company updated its emission factors to refine the calculation and improve reliability. Some of the factors have been changed from a quantity-based factor to a mass-based factor, which increases the accuracy of the calculation but affects the comparability of the figures. As a result of the update, waste emission factors decreased significantly, which led to a significant reduction in emissions related to the company's waste and the end-of-life of sold products compared to the previous year (categories 5 and 12).

Direct greenhouse gas emissions (scope 1)

Scope 1 emissions cover all the company's direct greenhouse gas emissions. Direct carbon dioxide emissions occur only at the Helsinki location, which has a backup generator and sprinkler system that require fuel replenishment approximately every other year (stationary combustion). Emissions are calculated by multiplying the amount of fuel purchased during the year in liters by the emission factor specific to the type of fuel. The emission factor is based on the emission factor for light fuel oil according to the fuel classification of Statistics Finland. The company does not have biogenic Scope 1 carbon dioxide emissions. In addition, the company had one vehicle in use, which was sold in the summer of 2025. The vehicle's emissions were not taken into account in the 2024 Sustainability statement. The emissions caused by the vehicle have been taken into account in the 2025 calculation and also adjusted to the 2024 data to ensure comparability. The scope 1 emissions reported in the 2024 Sustainability statement were 1 tCO₂e. The adjusted scope 1 emissions were 1.6 tCO₂e. The impact on total emissions was minor.

Carbon dioxide and other greenhouse gas emissions from emissions trading systems are not included in Scope 1 emission calculations, as the company does not have such operations.

Indirect greenhouse gas emissions (scope 2)

Scope 2 emissions include indirect greenhouse gas emissions from the production of purchased electricity, heating, and cooling. The company does not produce electricity, heat, or cooling itself. Scope 2 emissions are calculated using the amount of purchased electricity (in megawatt-hours) and regional emission factors. The regional emissions

of purchased electricity are calculated using the average emission factor for electricity produced in Finland (Fingrid) and the emission factor for electricity produced in Guangdong province for the China office. All electricity purchased for operations in Finland is emission-free. The electricity used at the Helsinki, Raisio, and Pirkkala offices is produced from 100% renewable energy. The electricity used at the Oulu site is produced using hydro and nuclear power, the proportions of which vary from year to year, with the final distribution determined retrospectively once all production and consumption data has been checked at the end of the year. In 2025, the distribution was 67% nuclear power and 33% hydropower. The purchased thermal energy is district heating produced with renewable energy at the Helsinki, Raisio, and Oulu sites. Heat production at the Pirkkala site has been partly based on conventional district heating, but from June 2025, the site will switch entirely to renewable district heating. The Helsinki site uses district cooling produced from renewable energy. When calculating heating and cooling, region-specific emission factors reported by energy companies or municipalities are used where necessary, corresponding to the type of heating used at the site. The company does not have biogenic Scope 2 carbon dioxide emissions.

Indirect greenhouse gas emissions (scope 3)

Scope 3 emissions are reported on the basis of the GHG Protocol and are based on 15 subcategories, which the company reports as follows:

Category 1: Emission calculations are based on the Average-data method defined by the GHG Protocol, where the quantity or mass of products at the combined category level is multiplied by the product-specific emission factor. The quantities and masses of sold products are based on data from the Group's internal systems. Additionally, emissions from packaging materials are considered in this category. Emissions from packaging materials are calculated by multiplying the kilograms of materials by material-specific emission factors. Packaging material data from the largest suppliers is obtained from supplier reports. Emissions from smaller suppliers are estimated based on costs.

Category 2: This category includes greenhouse gas emissions from the procurement of materials for physical capital investments during the reporting year. The materiality of the category is reviewed annually. In 2024, there were no significant investments in this category. In 2025, the investments included a pallet conveyor and transport chute introduced by the company. The emission calculation for the investment is based on the material quantities provided by the supplier, multiplied by the applicable emission factors for each material type.

Category 3: The calculation is based on fuel and energy-related activities, including the extraction, production, and transportation of energy sources used by the organization. Emissions are calculated using actual fuel consumption and heating consumption (collected for scope 1 and 2 emissions). The company uses national average emission factors published in Finland for upstream and transmission losses in electricity and district heating. Electricity calculations are based on real-time values from Fingrid and the Energy Authority, and district heating calculations are based on Statistics Finland and industry average production and transmission loss factors.

Category 4: Calculation is based on the delivery date, and reported emissions are mainly based on emission reports submitted by the largest suppliers. All transports carried out under the company's own transport agreements have been taken into account in the emission calculation. Emissions from transports for which suppliers are responsible have been estimated based on transport costs. The calculation does not cover transports for which the suppliers are responsible in cases where the share of transports has not been specified in the invoicing. Emissions in this category have been calculated in essence using emission factors that comply with the well-to-wheel (WtW) principles.

Category 5: Emissions from the company's waste are mainly based on reports obtained from portals maintained by external operators and from property representatives. The underlying assumption is that the information collected from the portals and suppliers is comprehensive and represents the company's waste data realistically. If emission data

is not available from a site, it is calculated by multiplying the amount of waste generated (in tons) by Defra's (UK Department for Environment, Food and Rural Affairs) waste category-specific emission factors.

Category 6: Emissions are calculated based on flights, train and taxi journeys, mileage allowances, and hotel stays recorded in the company's travel expense system. Emissions are determined by multiplying the length of the journeys and the number of hotel stays by Defra's emission factors.

Category 7: The calculation is based on estimates of the distance traveled and the mode of transport (e.g., car, bus, or subway). The data is collected by distributing a survey to Finnish employees annually, and the data is extrapolated to cover all Finnish employees, taking into account the proportion of the workforce that has the opportunity to work remotely. Emissions from car travel are calculated using Defra emission factors, which follow the well-to-wheel (WtW) principle.

Category 9: Based mainly on emission reports from major suppliers. Emissions in this category are essentially calculated using emission factors that comply with well-to-wheel (WtW) principles.

Category 11: The calculation is based on estimates of the annual electricity consumption and life cycle (3–10 years) of consumer electronics products sold. Emissions are calculated using the emission factor for electricity produced in Finland (Fingrid).

In 2025, the company refined the data sources it uses and the estimated energy consumption data for some of its products. To ensure comparability, the company adjusted the comparative data for 2024. As a result of the adjustment, the emissions reported in category 11 decreased by 49%, totaling 22,119 tons. The emissions reported in category 11 in the 2024 Sustainability statement were 45,257 tCO₂e. The adjusted category 11 emissions were 23,137 tCO₂e. The impact on the company's total emissions was -11%. The total location-based emissions reported in the 2024 Sustainability statement were 195,061 tCO₂e.

Adjusted total emissions were 172,942 tCO₂e. Adjusted total emissions also take into account the adjustment of scope 1 emissions.

Category 12: The calculation is based on the estimated disposal and recycling of products sold (in kilograms) during the reporting year. Various emission factors from Defra and ADEME (French Agency for Ecological Transition) are used to calculate emissions for waste categories: energy, WEEE (Waste Electrical and Electronic Equipment), paper, cardboard, and plastic.

Materiality of Scope 3 categories and Estimations in emission data and possible limitations of calculation principles

Based on the company's materiality assessment of Scope 3 emissions, subcategories 8, 10, and 13–15 were not material to the company during the reporting period. The company does not have any significant owned or leased assets that are not included in the scope 1 and scope 2 calculations. The company's products are ready for use without further processing or refining. The company does not have franchising operations. The company does not own investments that should be included in the scope of category 15.

E2 – Pollution

SBM-3 Material impacts, risks, and opportunities related to pollution

E2.1–3 Pollution of air, water, and soil			
Impacts	Opportunities and risks	Location in the Value Chain	Management
<p>⊖ Hazardous chemicals and heavy metals used in raw material sourcing and production pollute the air, water, and soil (negative actual impact)</p>	None identified	Beginning of the value chain through business relationships	<ul style="list-style-type: none"> • Environmental practice requirements for suppliers, including the requirement to consider environmental aspects in the supply chain • Environmental aspects considered as part of audits for private label suppliers
<p>⊖ Toxic substances in electrical and electronic waste at the end of the value chain increase the risk of hazardous substances ending up in water and soil if end users do not dispose of products properly (negative actual impact)</p>	None identified	End of the value chain through business relationships	<ul style="list-style-type: none"> • Guiding and encouraging customers to recycle properly • Accepting waste electrical and electronic equipment (WEEE), batteries, and accumulators beyond producer responsibility requirements • Implementing due diligence in selecting recycling partners • Solutions and business models aimed at extending product life cycles

IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks, and opportunities

Actual and potential impacts, risks, and opportunities related to pollution were identified by screening the company's assets and operations across the value chain to the extent that the company has visibility. The screening did not include fieldwork.

E2-1 Policies related to pollution

The company's environmental impact guidelines are described as part of the company's Code of Conduct. The principles related to environmental pollution are specified in the company's Environmental Policy and Supplier Code of Conduct.

In accordance with its Environmental Policy, the company is committed to protecting the environment and preventing air, water, and soil pollution at the beginning and end of the value chain. The company's identified material impacts related to pollution concern the beginning and end of the company's value chain, not the company's own operations.

The Supplier Code of Conduct specifies the requirements set for suppliers regarding chemicals and hazardous substances, emissions, and wastewater, the requirement to develop and implement procedures and practices for handling air, water, and soil pollution, the requirement to commit to the environmental requirements of the Amfori BSCI Code of Conduct, and to consider environmental aspects in the supply chain as well. The company's operating principles regarding pollution generally consider mitigating, preventing and limiting the negative impacts of air, water and soil pollution at the beginning and the end of the value chain, including the substitution and minimization of substances of concern

in accordance with EU chemical legislation. The principles do not specifically mention the elimination of substances of very high concern or the prevention of incidents and emergencies, but managing and limiting impacts on people and the environment regarding environmental impacts is part of the policy. The company's operating principles regarding pollution do not include information on contaminants or substances of particular concern.

Suppliers are a key stakeholder group in relation to these principles. Their interests have been taken into account in that Amfori BSCI has involved stakeholders in the development of the Amfori BSCI Code of Conduct, which are included in the Supplier Code of Conduct and on which the company's operating principles regarding pollution are based.

The scope, responsibilities, and availability of the company's policies are presented in the section *MDR-P Policies adopted to manage material sustainability matters*.

E2-2 Actions and resources related to pollution

Action	Time horizon	Scope	Expected outcome
Preparing the company's Environmental Policy in 2024 and its implementation	2024–2028	Own activities and value chain globally	Management of negative impacts related to pollution
Instructing customers on the proper disposal of products	2024–2028	Own operations and end of value chain	Management of negative impacts related to pollution

The company recognizes that negative environmental impacts, such as environmental pollution, arise at the beginning of its value chains, and they need to be addressed by raising awareness and finding ways to influence them. The company has not developed an action plan and does not currently plan actions to prevent pollution. Instead, the company focuses its resources on advancing other environmental targets.

Procedures to prevent and mitigate the value chain's negative environmental impacts is carried out as part of procurement and logistics planning, with time allocated to these functions within the purchasing,

logistics and sustainability organizations. The company has not yet allocated significant human or financial resources specifically to pollution control.

The company monitors the implementation of environmental requirements set for suppliers through audits of its private label suppliers that are essentially social responsibility audits but which include an overview of environmental practices, such as procedures for identifying environmental impacts, compliance with local environmental legislation, environmental permits and licenses, water use, and waste management in a way that does not cause environmental pollution. The impacts related to the end of the value chain, i.e. the disposal of electronic devices, are managed by guiding and encouraging customers to properly recycle electrical and electronic equipment, batteries, and hazardous substances, and by receiving electronic waste (WEEE), batteries, and accumulators in accordance with and exceeding producer responsibility, also offering the possibility to recycle large household appliances without an obligation to purchase. The company exercises due diligence in selecting recycling partners to ensure that recycling is carried out in compliance with requirements. In addition, the company offers circular economy services with the aim of extending the life cycle of functional electronic equipment and preventing premature disposal of products. To support the prevention of pollution at the end of the value chain, the company ensures the safe handling, storage, and disposal of chemicals, hazardous substances, and waste in its own operations.

Instructing customers on the proper disposal of products – actions and resources 2025

During the reporting year, measures were implemented to develop the skills of all personnel in promoting the appropriate and safe recycling of electrical and electronic waste (WEEE) and hazardous waste. The company's WEEE guidelines were updated, online training was provided for personnel, and the topics were communicated through internal channels. In addition, responsibilities were clarified with regard to the subject. The aim of these measures is to ensure the correct sorting of equipment and hazardous waste that is disposed of from the company's own operations and returned by customers, and to strengthen the

capabilities of store personnel in particular in providing guidance to customers. The implementation of the planned development measures did not result in significant capital expenditure (CapEx) or operating expenditure (OpEx) during the reporting year, and no separate CapEx plans have been drawn up for the measures.

E2-3 Targets related to pollution

The company has not set specific targets for the prevention of pollution of air, water, and soil in accordance with ESRS standards. For the time being, the company does not monitor the effectiveness of its operating principles in relation to material sustainability impacts, risks, and opportunities concerning pollution. The company does not plan to set targets for the 2024–2028 strategy period due to the difficulty of measuring the impacts, as they are concentrated at the beginning and end of the value chain. The company believes that promoting goals related to climate change mitigation and the circular economy can contribute to a more accurate understanding of the downstream value chain and thus support the setting of pollution-related goals in the future.



E5 – Resource use and circular economy

SBM-3 Material impacts, risks and opportunities related to resource use and circular economy

E5.1 Resource inflows, including resource use			
Impacts	Opportunities and risks	Location in the Value Chain	Management
+ Minimizing resource consumption in packaging and other material use, and favoring recycled materials reduces the use of primary resources (positive actual impact)	None identified	Own operations and the beginning of the value chain through business relationships	<ul style="list-style-type: none"> • Policies and practices regarding packaging and material choices
E5.2 Resource outflows related to products and services			
+ Extending product life cycles by offering circular economy products, services, and solutions reduces the use of primary resources (positive actual impact)	None identified	Own operations and end of the value chain	<ul style="list-style-type: none"> • Offering used and refurbished consumer electronics products as an alternative to purchasing new products • Trade-in and buy-back services, sale of returned devices through outlets, repair services, spare parts supply, extended warranties, and development of new circular economy services, provision of circular economy services online
+ Extending product life cycles through eco-design reduces the use of primary resources (positive actual impact)	None identified	Entire value chain through own operations and business relationships	<ul style="list-style-type: none"> • Improving product durability, repairability, energy efficiency, resource use, recycled material content, and recyclability
+ Minimizing packaging materials and optimizing material recyclability reduces waste (positive actual impact)	None identified	Own operations and end of the value chain	<ul style="list-style-type: none"> • Minimizing the use of packaging materials • Use of recyclable packaging materials

IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Actual and potential impacts, risks, and opportunities related to resource use were identified by screening the company's assets and operations across the value chain to the extent that the company has visibility. The screening did not include fieldwork. The communities affected have not been identified and therefore not consulted. With regard to the impacts related to the circular economy, the review focused in particular on the impacts arising from the company's own operations and was carried out from the perspective of the product life cycle.

E5-1 Policies related to resource use and circular economy

The company's guidelines concerning environmental impacts are described as part of the company's Code of Conduct. The company's operating principles related to resource use and the circular economy are specified in the company's Environmental Policy and Supplier Code of Conduct. The Environmental Policy guides the company's operations in the management of material sustainability issues, which in this context include resource inflows, including resource use, and resource outflows related to products and services. The key content of the Environmental Policy in terms of resource use and the circular economy is packaging

and material choices, the circular economy and extending product life cycles, eco-design, and minimizing waste and directing it to reuse. The more detailed content of the principles is presented by theme below.

The scope, responsibilities, and availability of the company's policies are presented in the section MDR-P Policies adopted to manage material sustainability matters..

Packaging and material choices

The company considers environmental impacts in its packaging solutions, which include packaging for online and in-store purchases and packaging materials for internal transportation. The use of packaging materials is minimized, and over-packaging is avoided while ensuring that the packaging protects the product to minimize product waste. The company prefers renewable materials to plastic and recycled materials to virgin materials. In terms of circular economy goals, recycled plastic collected from consumers (post-consumer recycled) is considered the primary option, with plastic made from industrial side streams (post-industrial recycled) and recycled plastic from the pre-consumer stage (pre-consumer recycled) as secondary options. The company favours paper and cardboard with sustainability certificate. The company is committed to reducing plastic shopping bags and does not use PVC plastic. The company ensures that the materials it uses are recyclable and develops its sorting instructions. Additionally, the company sets environmental requirements for its suppliers regarding product packaging, which are recorded in the Supplier Code of Conduct.

Circular economy and extending product lifecycles

In accordance with its Environmental policy, offering products and services that promote the circular economy is an important part of the company's vision of creating the new normal for buying and owning. The lifecycles of consumer electronics products are extended by offering maintenance, repair, and trade-in services, for example, as well as spare parts and refurbished products as an alternative to buying new products, replacing the use of primary resources with secondary resources. As an online retailer, the company's goal is to move the circular economy online, lowering the threshold for engaging in circular economy activities.

Eco-design

the company's goal is to consider eco-design principles in its selection, including developing product durability, reparability, energy efficiency, resource use, the proportion of recycled materials, and recyclability. Additionally, the company sets requirements for its suppliers regarding eco-design and lifecycle thinking in the supplier principles.

Waste minimization and steering towards reuse

the company optimizes its waste management according to the waste hierarchy and helps its customers properly recycle devices that have reached the end of their life to reuse valuable materials and safely handle hazardous waste.

E5-2 Actions and resources in relation to resource use and circular economy

Raportointivuonna Yhtiö laati ympäristöpolitiikan sisältäen linjaukset koskien kiertotaloutta ja tuotteiden elinkaarien pidentämistä, pakkaus- ja materiaalivalintoja sekä jätteiden minimointia ja ohjausta uusiokäyttöön.

Actions	Time horizon	Scope	Expected outcome
Development of packaging and material choices as well as data collection	2024–2028	Entire value chain globally	Reducing the use of virgin materials
Development of circular economy products and service offerings	2024–2028	Entire value chain globally	Double-digit annual growth in the sales of circular products, services and solutions
Selling products that customers actually need, ensuring product quality and developing product information	2021–2028	Own operations	Keeping the product return rate under 1%

Packaging and material choices – actions 2025

The company continued actions in line with the packaging and material choice guidelines recorded in the Environmental policy by developing the proportion and quality of recycled materials used in packaging.

These changes reduce the use of primary resources. The company's paper consumption decreased by 332 tons from the previous year due to the discontinuation of its regularly published advertising leaflet. As a result of this change, the company's use of primary resources was halved and the proportion of recycled materials increased by 43% to 70% in 2025.

The company continued its strategy of investing in fast deliveries, which means increasing the share of deliveries which utilize automated warehouse, packaging machine, and fast deliveries, which is expected to reduce the use of packaging materials in the short, medium, and long term. These practices apply to all customers and reduce the use of primary resources.

The company is developing data collection related to packaging materials to improve the reliability of information about the proportion of recycled material.

Circular economy and extending product lifecycles – actions 2025

The company offers used products as an alternative to purchasing new products. Used devices are offered to customers as part of the company's normal selection, in addition to which products returned by customers are sold at outlet stores and online outlet. During the reporting year, the company continued to offer a range of used and refurbished devices in the categories of laptops, desktop computers, peripherals, tablets, phones, and audio. At the end of the year, new computer peripherals, components, and audio products were launched, availability was improved, and preparations were made for the expansion of operations in 2026.

During the reporting year, the company continued to expand and develop its trade-in service, which promotes the circular economy. The service allows consumer customers to resell their functional used electronic devices in exchange for credit. The service can be used entirely online, which the company expects to lower the threshold for putting functional used devices into circulation and promote opportunities to extend the life cycles of electronic devices. During 2025, the service covered phones, laptops, smartwatches, and tablets, as well as cameras and photographic equipment from selected brands, which

were launched as a new category during the reporting year. At the end of 2025, the service was unavailable, except for cameras and photographic equipment, due to a transfer of the financing service provider. The service is being further developed to restore it to use. Demand and sales for the buyback service offered to corporate customers grew significantly, although its share of total business remained small. The company continued to develop and expand the maintenance services and spare parts supply for its private label products to new product groups. The television maintenance business launched in the previous year was expanded to full scale during the reporting year. Additionally, preparations were made to launch a maintenance service for small household appliances. Maintenance services are provided for the company's private label phones, bicycles, electric bicycles, electric scooters, and snow blowers, as well as washing machines, dishwashers, and dryers in the Helsinki metropolitan area, Turku, and Tampere. These measures support the circular economy and reduce the use of primary resources in the value chain in the short, medium and long term.

Minimizing the return percentage – actions 2025

The company's principle is to sell products that customers actually and provide comprehensive product information to support purchasing decisions while minimizing customer returns and waste. This principle was upheld through internal communication, as part of the Code of Conduct training, and by developing product information. During the reporting year, product information management and PIM data quality were improved. Development work will continue in 2026, and the company expects that improved product information will help customers find products that are even more suitable for them, which will also have a positive impact on the number of product returns.

During the reporting year, the company's after-sales marketing operations began a process improvement initiative, which uses automation to improve, among other things, the processing time for service cases and provide customers with better visibility into the progress of the service process. The development work also reduces manual work, enables the identification of potential operating errors and the prevention of resulting maintenance, and guides the processing of

returns more efficiently. The development work is expected to reduce product waste, speed up maintenance and return processing, and have a positive impact on the return and maintenance rate.

Resourcing related to resource use and circular economy

One person-year was allocated in the reporting year to the continuous development and integration of the “Vaihtokauppa” trade-in service into a broader circular economy strategy.

In other respects, work related to resource use and the circular economy to leverage the value chain’s positive environmental impacts is carried out as part of procurement, indirect procurement, sales, logistics planning, marketing and facility services, with time allocated to the task.

E5-3 Targets related to resource use and circular economy

Target	KPI indicator	Result 2025	Target result	Target year
Double-digit annual growth in the sales of circular products, services and solutions	Growth of total net sales from circular products and services ¹	+ 1%	> 10%	Continuous annual monitoring
Extending trade-in service every year to cover relevant part of our HERO-assortment by 2028 ²	Annual growth in the amount of categories covered with trade-in service	+ 25%	Positive growth	Continuous annual monitoring
Keeping product return rate	Product return rate (%) including “change of minds”	0.7%	< 1%	Continuous annual monitoring

¹ Growth in sales of circular economy products, services, and solutions, including sales of refurbished products, trade-in and buyback services, outlet sales for categories B, C, and D, product-as-a-service sales, repair services, extended warranties, and other circular economy services not yet published

² The HERO product range refers to a well-circulating and online-suitable product selection of approximately 30,000 product codes defined in the company’s strategy. This range supports the company’s customer value promise of fast deliveries and includes the company’s customers’ most desired products. The company’s goal is to increase the share of the product range covered by the exchange service each year and to develop the service so that the product categories represented in the company’s HERO range are covered by the trade-in service by the end of 2028, where applicable. Suitability will be assessed on the basis of, among other things, the aftermarketability of the product category. The company plans to define the target in more detail in 2026 in connection with the relaunch of the trade-in service.

Progress in target

Sales of the company’s circular economy products, services, and solutions grew by 1%, falling short of the target of double-digit annual growth. The achievement of the target was slowed down by challenges related to the productization of refurbished products, a decline in outlet sales in the early part of the year due to low customer return rates, and the temporary closure of the trade-in service due to a corporate acquisition. The company is preparing to strengthen the growth of circular economy products, services, and solutions in 2026.

During the year, the company’s trade-in service was expanded to include cameras and photographic equipment.

In 2025, the company’s return rate remained below 1% in line with its target and was 0.7% (0.7).

MDR-T Tracking effectiveness of policies and actions through targets

The objectives are based on promoting the positive effects of resource use and the circular economy. The goals related to growing the circular economy business and the trade-in service are linked to increasing product design based on the circular economy and minimizing primary raw materials at the beginning of the value chain. The intended impact is to reduce the need to manufacture new products by extending product life cycles and building a functioning secondary market to encourage circular economy-based product design. The targets are reported starting in 2025 and the results will be compared to the previous year. No separate base year or value has been defined for the targets.

The return rate target is related to resource use and circular economy considerations at the beginning and end of the value chain, as well as prevention at the waste hierarchy level. The intended impact is to support the company’s operating principle of selling products that customers actually need and thus reducing customer returns and waste related to so-called “change of minds”. The target is ongoing in nature and no separate base year or value has been defined for it.

All the company’s goals related to the use of resources and the circular economy are set by the company itself and are not based on scientific

evidence. The targets are relative. The scope of the targets for growth in sales of circular economy products, services, and solutions and for the return rate covers the company’s global sales. The target for the coverage of the trade-in service applies to the company’s operations in Finland.

The return rate reported by the company covers product returns in situations where the customer returns the product unused or after a maximum trial period of 32 days. As part of its Sustainability program, the company has changed the metric reported from the previous year, when the company reported the total return rate including not only so-called “change of minds” but also the proportion of service cases. Going forward, the company will monitor the metrics separately due to the different calculation methods used for each metric. The service rate is calculated by comparing the proportion of service cases during the warranty period to the number of units sold during the year. In 2025, the company’s service rate was 0.1%.

The objectives were defined based on the views of stakeholders on the circular economy and considering the key expectations of customers and suppliers, as described in the table Stakeholder interaction. The company has not specifically assessed the consistency of the targets with national, EU, or international policy objectives, nor how the targets consider the broader context of sustainable development or the local situation in the area affected.

The targets are voluntary and not required by law. The company does not currently have any ESRS-compliant targets that address the increase in the use of recycled materials, the sustainable procurement and use of renewable resources, or waste management. On the other hand, the company reports on actions in line with its Environmental Policy to develop packaging and material choices related to the sustainable procurement and use of renewable resources.

E5-4 Resource inflows

Description of the company's material resource inflows

The resource inflows reported by the company are relatively minor: The company's main business is retail, and the company does not have its own manufacturing operations, so the company does not report resource inflows related to the manufacture of products sold. The company's significant resource inflows are therefore only packaging materials, which are primarily used for packaging online purchases, and paper used for advertising leaflets. The company's material resource inflows do not include biological materials. Resource use is described in more detail in the *Actions and resources in relation to resource use and circular economy*.

Resource inflows (packaging materials and advertising leaflet)

The overall total weight, metric tons	2024	2025
Cardboard	194	216
Plastic	27	29
Paper	379	46
Total	599	291

The proportion of certified packaging material (FSC certification) was 2% (3). The company received information about the proportion of certified material from only one supplier.

Use of recycled components

	2024		2025	
	Weight, metric tons	Percentage of total resource inflows (%)	Weight, metric tons	Percentage of total resource inflows (%)
Recycled packaging materials	159	27	215	74

The proportion of recyclable raw materials in packaging materials was 100%.

E5-5 Resource outflows

Waste streams relevant to the company's industry or operations include wood waste, cardboard, and electronic waste. Wood waste consists of pallets used in transport, which are directed for reuse but appear as a significant waste stream due to their weight.

The company's core business is retail, and it does not have its own manufacturing operations. Therefore, the company does not treat the products it sells as resource outflows and does not report on the expected sustainability of the products it places on the market relative to the industry average, the reparability of the products, or the proportion of recyclable materials in the products.

The company has the possibility to indirectly influence the lifecycle and reparability of the products it places on the market. The use of resources and measures to extend product lifecycles and promote reparability are described in more detail in the *E5-2 Actions and resources related to resource use and circular economy section*.

Waste generated

Metric tons	2024	2025
Waste diverted from disposal	1,582	1,815
Waste directed to disposal	0	1
Waste generated	1,582	1,816

Summary

Total amount of waste	1,582	1,816
Total amount of hazardous waste	10	7
Total amount of non-recycled waste	110	122
Percentage of non-recycled waste	7%	7%

Waste diverted from disposal by recovery operation

Metric tons	2024	2025
Hazardous waste		
Preparation for reuse	0	0
Recycling	0	0
Other recovery options	10	7
Total	10	7

Non-hazardous waste

Preparation for reuse	747	863
Recycling	715	824
Other recovery options	110	121
Total	1,572	1,808

Waste directed for disposal by waste treatment type

Metric tons	2024	2025
Hazardous waste		
Incineration (without energy recovery)	0	0
Landfill	0	0
Other disposal operations	0	0
Total	0	0

Non-hazardous waste

Incineration (without energy recovery)	0	0
Landfill	0	0
Other disposal operations	0	1
Total	0	1

E5 – REPORTING PRINCIPLES FOR METRICS

Resource inflows – packaging materials

The data on packaging materials (in metric tons) is collected from the company's largest suppliers, covering an estimated 99% of all packaging materials used. The data includes the amounts of materials reported by the suppliers and the proportions of recycled materials.

The consumption of recycled materials in metric tons is calculated based on the percentages reported by the suppliers from the total material consumption for each material. If the supplier has not provided information about the proportion of recycled materials, it is assumed that the material does not contain recycled material.

The proportion of materials certified through packaging material certification systems is based on information provided by the suppliers.

Potential limitations in packaging material calculation principles

The underlying assumption in the calculations is that the information provided by the largest suppliers is comprehensive and realistically represents the company's use of packaging materials. In cases where third-party data is unavailable, the missing information is primarily estimated based on the data from the preceding or following month to ensure comprehensive data. The company continuously strives to improve the coverage and accuracy of data collection.

Resource outflows - non-hazardous and hazardous waste

The company's waste management policy follows the waste hierarchy, where the primary goal is to prevent waste generation, followed by promoting the reuse and recycling of materials. The company's main waste streams consist of ordinary waste generated at the premises, such as cardboard and packaging materials, pallets used for transportation, and electronic waste (WEEE) and batteries collected from all premises, consumers, and maintenance operations, which are classified as hazardous waste.

All waste generated at the company's premises is either recycled, reused, or directed for energy recovery. No waste is sent to landfill. The company does not produce or handle radioactive waste.

Potential limitations in waste accounting

Waste data is collected from portals maintained by external operators and based on supplier reports. The weights of property waste, hazardous waste, and WEEE (Waste Electrical and Electronic Equipment) are based on actual weight measurements. Pallets are reported in units, with their weight estimated in metric tons according to different pallet types. In cases where third-party data is unavailable, missing information is primarily estimated based on the data from the preceding or following month to ensure comprehensive waste data reporting.

Hazardous waste is overseen in accordance with applicable laws and environmental regulations.

The company's total amount of non-recycled waste includes ordinary waste directed to incineration for energy recovery. The company's recycling rate includes all other waste categories, including pallets. Wooden pallets used in transport can be reused multiple times, and as heavy material, they have a significant impact on the company's recycling rate.

The company's waste accumulation calculation is based on data collected from portals and suppliers on property waste, pallets, hazardous waste, and electronic waste (WEEE). This data is assumed to be comprehensive and to represent the company's waste volumes realistically. However, the company recognizes that the data may contain uncertainties.

The waste volumes of the Oulu and Pirkkala offices have been apportioned based on the floor area of the premises.

SOCIAL RESPONSIBILITY

S1 – Own workforce

SBM-3 Material impacts, risks and opportunities related to own workforce

S1.1 Working conditions			
Impacts	Risks and opportunities	Location in the Value Chain	Management
+ Paying wages and providing employee benefits that exceed industry standards enhance and maintain employee satisfaction and well-being, and motivate staff to work towards the company's targets (positive actual impact)	+ Providing opportunities for professional development through skill enhancement can improve operational efficiency and reduce costs (positive actual impact) + A motivated, skilled, and healthy workforce enables efficient operations, thereby reducing costs, improving customer satisfaction, increasing sales, and decreasing the likelihood of disability pensions (positive actual impact)	Own operations	<ul style="list-style-type: none"> • Employee training • Mentoring program • Regular goal and development discussions • Internal career paths • Coaching leadership
	- Work accidents and sick leaves can increase operational costs (negative actual impact)	Own operations	<ul style="list-style-type: none"> • Coaching leadership • Paying wages above the retail sector's collective agreement rates, including the company's own 6.67% bonus, paying the capital city wage level throughout Finland, and practices favorable to employees regarding annual raises and training • Comprehensive employee benefits • Monitoring sick leave, regularly assessing safety risks and hazards with the occupational safety representative • Training supervisors in safety management
	- The lack or insufficiency of sustainable and responsible HR practices can increase employee turnover, which may raise costs, complicate recruitment, and damage the brand (potential negative impact)	Own operations	<ul style="list-style-type: none"> • Consistent and robust HR practices • The company's values defined together with employees and fostering a responsible organizational culture Emphasizing equality
S1.2 Equal treatment and equal opportunities for all			
+ Opportunities for professional development increase commitment, the sense of meaningful work, and well-being at work for example through perceived competence (positive actual impact)	+ A motivated, skilled, and healthy workforce enables efficient operations, thereby reducing costs, improving customer satisfaction, increasing sales, and decreasing the likelihood of disability pensions (positive actual impact)	Own operations	<ul style="list-style-type: none"> • Employee training • Mentoring program • Regular goal and development discussions • Internal career paths • Coaching leadership
+ Prohibiting discrimination reduces all forms of harassment, bullying, and discrimination (positive actual impact)		Own operations	<ul style="list-style-type: none"> • Prohibition of discrimination in Code of Conduct and Personnel policy • Internal personnel development plan to promote and maintain equality and equity • Role classification system based on job demands • Anti-discrimination recruitment practices and supervisor orientation • Diversity working group activities

IRO-1 Process to identify and assess material impacts, risks, and opportunities related to own workforce

The company employs people in sales and logistics positions as well as in office work. In its double materiality analysis, the company has assessed the impacts, risks, and opportunities related to its own workforce, including significant risks related to forced labor and child labor, focusing on all employee groups in all employment relationships. The results apply to the entire workforce, and the analysis did not identify any impacts, risks, or opportunities specific to any particular employee group. The company assesses the negative impacts on employees, its locations and job functions by conducting regular statutory workplace surveys and risk and hazard assessments, as well as employee surveys, the results of which are reviewed at the company level and by department.

The risks facing the company's own workforce are related to the company's dependence on the well-being and work input of its workforce. It has been identified as a risk that if workforce practices are inadequate, this may result in significant financial risks.

The positive impacts related to the company's own workforce are primarily related to the achievement of the company's strategic objectives, but not directly to the company's operating model. The company has not identified any material impacts, risks, or opportunities related to forced labor or child labor in connection with the company's operations or type of business. The company's operations are mainly located in Finland, and the company has no significant operations in high-risk countries or its own production. The company's limited activities outside Finland are office-work in nature.

The company has not identified any impacts, risks, or opportunities related to non-employees.

S1-1 Policies related to own workforce

The company's practices and principles, including its operating principles for managing material sustainability issues related to its own workforce, are described in the company's Code of Conduct and

specified in the company's Personnel policy. Additionally, the company's operations are guided by applicable legislation.

The company believes that its own workforce plays a key role in achieving its business objectives. In line with the values defined together with its personnel, the company fosters a bold, agile, and transparent organizational culture and invests in a communal atmosphere, which strengthens the positive effects on its workforce.

In accordance with its Code of Conduct, the company respects and promotes internationally recognized human rights. This also relates to its own workforce. As outlined in more detail in its Personnel policy, the company avoids causing or contributing to adverse human rights impacts and addresses any potential impacts. The company does not tolerate human trafficking or the use of child labor or forced labor. The company upholds the right to fair working conditions, a healthy and safe working environment, reasonable working hours, and adequate compensation for work. The company respects employees' freedom of association and the right to collective bargaining.

In line with its Personnel policy, the company does not tolerate any form of discrimination, harassment, or unequal treatment based on race or ethnic origin, skin color, gender, sexual orientation, gender identity, gender expression, disability, age, religion or belief, political opinions, trade union activity, national or social origin, educational background, nationality, language, economic status, health, appearance, family relationships, family responsibilities, or any other personal reason. A model for addressing harassment and inappropriate behavior is in place, and employees are instructed to raise any issues. Cases are promptly addressed on discovery, and all reports are handled fairly, impartially, and confidentially. The company has principles for creating a safer space to ensure that everyone can feel mentally and physically safe without fear of discrimination, harassment or bullying. The experience of diversity and equality is monitored as part of employee surveys.

In accordance with its Code of Conduct, the company's operations are guided by international declarations, agreements, and recommendations, such as the UN Universal Declaration of Human Rights and the Convention on the Rights of the Child, the ILO Convention on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises,

and the UN Guiding Principles on Business and Human Rights. The company's Code of Conduct related to its own workforce are derived from internationally recognized standards and the UN Guiding Principles on Business and Human Rights and, in the company's interpretation, are in line with them.

The company has an occupational safety program, with the main target of preventing workplace accidents and developing occupational safety work, including an annual assessment of risks and hazards in all operations. These plans and programs are developed in collaboration with employee representatives and are a significant part of communication with the company's own workforce.

Knowledge and respect for human rights and labor rights are ensured through annual Code of Conduct training, which is required for all employees. Additionally, training is available to employees to promote diversity and inclusion, and various models are in place to address potential issues. Measures to remedy and/or enable the remediation of human rights impacts related to our own workforce are specified in the *Stakeholder Engagement* table.

The scope, responsibilities, and availability of the company's policies are presented in the *MDR-P Policies adopted to manage material sustainability matters* section.

S1-2 Employee engagement and dialogue

In addition to daily interactions, the company's general processes for communication with employees and their representatives include a employee survey conducted 3–4 times a year, a target and development discussion process, the internal personnel development plan, the equality and non-discrimination plan, the occupational safety program, the activities of the diversity group, various training sessions and coaching, the reporting channel, employee information session, and readiness group activities. The company involves engaging employees in the planning and development of operations both directly and through employee representatives and considering employees' perspectives in decisions and actions related to the workforce and operational development. The company has shop stewards and occupational safety

representatives at each location. Senior employees are represented by a trust representative. Informative cooperation negotiations are widely and purposefully utilized. The company maintains continuous and transparent dialogue between the employer and employee representatives through regular discussions.

- Quarterly discussions are held between the CEO, the Chief HR Officer, selected Management Team members, and employee representatives about the company’s development prospects, financial situation, workplace rules, practices and principles, workforce utilization, employee structure, skill development, maintaining and promoting well-being, and other current issues from the last quarter.
- The HR manager conducts a status review with shop stewards 2–4 times a month on current issues.
- If necessary, changes are negotiated with employee representatives before implementation.

The Chief HR Officer has operational responsibility for communication and incorporating the results into the company’s practices.

The company applies the collective agreement between the retail employers’ association and the service sector union to the extent applicable to the workforce, and the dialogue model of the collective agreement to the entire staff. The effectiveness of communication is demonstrated by various agreements and results that have arisen from employee initiatives.

The perspectives of the company’s workforce on diversity and inclusion are measured as part of the employee survey, which allows free-form anonymous feedback. Statutory workplace surveys also address inclusion and diversity. Additionally, both the company’s own and external workforce can use the company’s reporting channel. The diversity group’s activities support increasing awareness of diversity, equity, and inclusion.

S1-3 Channels for own workers to raise concerns

The company encourages its employees to voice concerns and seek advice in unclear situations. The primary contact for employees is their immediate supervisor. Alternatively, suspected misconduct or concerns can be reported to the HR department or company Management Team. Additionally, employees have the option of making anonymous reports through the reporting channel. Cases that do not come through the reporting channel and internal investigations are part of the normal work of human resources and are not included in the statistics. HR and employee representatives monitor the effectiveness of the measures. In addition, employees have the opportunity to express their views anonymously through employee surveys. There are separate reporting channels for concerns related to information security and facility security, which the company has established independently.

The company supports the use of reporting channels in the workplace by providing training and informing employees about the existence and use of the channels, ensuring that everyone has sufficient knowledge of these options. Awareness of the existence of the channels and the possibility of using them is ensured through mandatory annual training on Code of Conduct and information security, as well as through the development of supervisor skills. Additionally, the company has policies in place to protect individuals who use reporting channels or complaint mechanisms from retaliation. The reporting channel and related practices are described in more detail in the section *Mechanisms for identifying, reporting, and investigating concerns*.

S1-4 Actions and resources related to own workforce

Action	Time horizon	Scope	Expected outcome
Promoting working conditions and occupational safety	2024–2028	Own operations globally	<ul style="list-style-type: none"> • Improving employee well-being by 0.1 points annually
Promoting equal opportunities for all and skill development	2024–2028	Own operations globally	<ul style="list-style-type: none"> • Improving employee engagement to exceed benchmark by 2028 • Improving experience of diversity and inclusion by 0.1 points annually

Promoting working conditions and occupational safety – 2025 actions and resourcing

The company focuses on long-term activities that promote health and safety. Sick leave is monitored. Occupational safety risks and hazards are regularly assessed in cooperation with occupational safety representatives. Data is utilized in data-driven management. The focus of occupational health services is on prevention.

Coaching leadership, supporting mental well-being, early intervention discussions, zero tolerance of harassment and inappropriate behavior, communicating about occupational safety and preventing work-related retirement risks are tangible measures to ensure and strengthen well-being. The company invests in comprehensive mental health support to reduce mental health-related sick leave, aiming for less than three workdays per person per year. The measures include increasing supervisors’ skills, targeted training, and communication about the importance of mental healthcare and the available mental health support options. For employees with identified reduced work capacity, a personal advancement plan is created.

During the reporting year, the company launched a mental well-being program that includes communication, webinars, and supervisor training to support everyday management and the ability to discuss mental well-being issues. The company introduced a work ability management system for supervisors, which standardizes practices and supports early response to signs of reduced work ability.

To improve occupational safety, the company launched a campaign with the goal of halving the number of occupational accidents. Additionally, an accident insurer reporting system was surveyed and decided to be introduced, enabling rapid response to near-miss situations and ensuring that information is communicated to the right parties without delay.

Resources for developing well-being and occupational safety are primarily allocated to supervisory work, training and the time used for daily management. The well-being and occupational safety specialist in the HR department covers both operational and strategic tasks, including close cooperation with various stakeholders, collaboration with occupational safety representatives and interdepartmental cooperation. The company monitors the effectiveness of its measures using the KPI indicator for employee well-being in the company's personnel survey and by monitoring the number of occupational accidents and sick leave.

Promoting equality and skill development – 2025 actions and resourcing

Actions to develop skills included regular goal and development discussions offered to every employee in an employment relationship, various employee training courses, an internal mentoring program involving around ten people, and career path development.

In 2025, the specific focus areas for skill development were the development of work-life skills, training for supervisors on employment lifecycle processes, covering performance management, target setting, managers' rights and obligations, initiating difficult discussions, and responsible recruitment; as well as the provision of formal qualification-based studies. The company launched a work-life skills development programme targeted at knowledge workers. In addition, competence was developed in corporate sales skills and agile development. Product and service training was provided to store and customer service personnel. In 2025, equality and non-discrimination were promoted in accordance with the company's equality and non-discrimination plan. The company's diversity working group met on monthly basis and continued its efforts to raise awareness of diversity and equality through communication. During the reporting year, the

company conducted a survey of the current state of language and cultural competence with the aim of assessing the readiness to expand the company's operating languages.

As a measure against harassment, a survey on harassment and inappropriate behavior was conducted among employees working in customer service, expanding the information obtained in the statutory workplace survey and personnel surveys. A list of measures was drawn up based on the results of the survey.

The job requirement classification system used by the company helps to promote equal pay and equal career advancement. In 2025, the company continued to train supervisors in the job requirement classification system, and the system has become an established part of recruitment and performance management.

The company has allocated resources equivalent to approximately one person-year to skills development and promoting diversity.

A work community development plan covering the entire workforce is drawn up annually, setting out the annual goals and measures for developing and maintaining the skills and well-being of the personnel. Employee representatives participate in the preparation of the development plan to ensure that the plan takes into account the views of relevant stakeholders. Through the development plan, the company aims to ensure that its measures and practices do not have any significant negative effects on its own workforce, and to strengthen and benefit from the identified opportunities related to its own employees. In addition, the annual equality and non-discrimination plan describes the measures and objectives for promoting equality and non-discrimination.

The company monitors the effectiveness of these measures through its personnel survey.

S1-5 Targets related to own employees

Target	KPI	Result 2024	Result 2025	Target result	Target year
Improving employee engagement to exceed benchmark ¹	Engagement score	7.2	7.0	> 7.6 ¹	2028
Improving employee well-being by 0.1 points annually	Well-being score	7.7	7.5	7.8 ²	Continuous annual monitoring
Developing experience of diversity and inclusion by 0.1 points annually	DEIB-score	8.0	7.9	8.1 ²	Continuous annual monitoring

¹The goal is to exceed the current benchmark for consumer companies in 2028. The benchmark is updated annually. In 2025, it was 7.6.

²The company's previous year's result +0.1 points

The targets are measured using the company's employee survey KPI indicators, which are based on the combined results of several questions or statements.

Questions measuring employee engagement: Likelihood of recommending the company as a place to work, likelihood of recommending the company's products or services to friends/network, likelihood of staying with the company in a situation where the same job would be offered in another organization, satisfaction with working for the company.

Statements measuring employee well-being: Workload requirements are manageable, Employee health and well-being are important to the company, Feeling able to take time off work when feeling unwell, Competing demands of the job are easily manageable, Work ability currently meets the demands of the job, Ability to manage one's own mental well-being.

Questions and statements measuring experience of diversity and inclusion: Satisfaction with how the company supports diversity and inclusion, Belief that the company would respond appropriately to cases of discrimination, Sense of belonging to a group within the company, The company is a harassment-free workplace, The company accepts everyone for who they are, regardless of their background.

In addition to the objectives of the responsibility program, the company actively monitors the personnel-related indicators reported in this section.

Progress towards targets

KPI indicators are based on a personnel survey conducted 3–4 times a year and measure the experience of personnel. The results of the last measurement of the year are reported as the results for the year. The KPI measuring employee engagement rose in the middle of the year but fell in the last measurement and remained below the target. According to the company's assessment, the decline in the result was partly due to the reorganization of operations at the end of the previous year and the low number of personnel in store operations.

The KPI measuring employee well-being declined from the previous year and fell short of the target. Although efforts to support superiors were increased, they were not yet reflected in a decrease in sick leave during the reporting year. According to the company's assessment, situations related to challenges in coping and mental health have been responded to more quickly and timely support has been ensured.

The KPI measuring diversity and inclusion rose to the target level in the mid-year measurement, but fell in the final measurement and fell short of the target.

MDR-T Tracking effectiveness of policies and actions through targets

The objectives are based on promoting positive impacts and opportunities for the company's own workforce and mitigating risks.

The targets apply to the company's entire workforce. The base year for the targets is 2024. The targets are measured in relation to the previous year.

The results of personnel surveys were used in setting the objectives, which were defined in cooperation with personnel representatives, setting objectives that support the company's vision of promoting the well-being and growth of its own workforce.

The company has not specifically assessed the consistency of the targets with national, EU, or international policy objectives, nor how the targets take into account the broader context of sustainable development or the local situation in the area affected.

S1-6 Characteristics of the company's employees

Gender	Number of employees	
	2024	2025
Men	452	429
Women	163	165
Total	615	594

Country	Number of employees	
	2024	2025
Finland	597	578
China	18	16
Total	615	594

	2024			2025		
	Women	Men	Total	Women	Men	Total
Number of employees	163	452	615	165	429	594
Number of permanent employees	144	421	565	144	404	548
Number of temporary employees	19	31	50	21	25	46
Number of non-guaranteed hours employees	0	0	0	0	0	0
Number of full-time employees	108	358	466	113	331	444
Number of part-time employees	55	94	149	52	98	150

All figures are presented as numbers of persons

The main reasons for fixed-term employment are seasonality 33% (28) and substitution 48% (58). On average, fixed-term employees accounted for about 9% (9) of the company's workforce, which is significantly below the national level (20%) (21). Source: Statistics Finland's Labor Force Survey 2009–2024.

In 2025, the number of employees who left the company was 116 (162), and the turnover rate was 19.3% (25.5%). All figures provided match the figures in the financial statement figures.

S1-7 Characteristics of non-employee workers

The company uses temporary agency workers in its supply chains, stores, and in the Customer Success and After Sales teams, in accordance with the principles agreed separately with employee representatives. Temporary agency labour is used to ensure adequate capacity, for example to cover sick leave or to respond to sudden increases in workload. Temporary agency workers fall under the company's managerial responsibility, within which the practices and guidelines applied to them are consistent with those applied to the company's own employees.

As of 31 December 2025, there were a total of 237 (156) non-employees, including 11 (7) independent contractors and 224 (146) workers primarily from companies engaged in employment activities. Additionally, there were two (three) interns.

S1-8 Collective bargaining coverage and social dialogue

Coverage rate	Collective Bargaining Coverage		Social dialogue
	Employees – EEA (For countries with >50 empl. representing >10% total empl.)	Employees – non-EEA (Estimate for regions with >50 empl. representing >10% total empl)	Workplace representation (EEA only) (For countries with >50 empl. representing >10% total empl)
0–19%			
20–39%			
40–59%			
60–79%	Finland (Finland)		
80–100%			Finland (Finland)

Figures in parentheses refer to 2024 comparative data

As operations are solely based in Finland, there has been no need to establish agreements with a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.

S1-9 Diversity metrics

	2024		2025	
	Headcount	Percentage	Headcount	Percentage
Top management				
Women	3	37.5	3	37.5
Men	5	62.5	5	62.5

Personnel by age group	2024		2025	
	Headcount	Percentage	Headcount	Percentage
Under 30 years	136	22.1	120	20.2
30–50 years	460	74.8	448	74.4
Over 50 years	19	3.1	26	4

S1-10 Adequate wages

The company ensures that all employees are paid wages that meet or exceed the terms of the collective agreement. Salary payments exceed the table wages specified in the collective agreement for the retail sector through the company's own practices. These include a 6.67% company-specific supplement, the uniform application of the capital region salary level in all locations in Finland, and procedures that are in the interests of employees with regard to annual salary increases and training opportunities.

S1-11 Social protection

All the company's employees are covered by social protection against income loss due to major life events, either through public programs or benefits provided by the company. These life events include illness, unemployment, work-related injury and disability, parental leave, and retirement. The protection occurs either through public programs or benefits offered by the company.

S1-13 Training and Skills Development metrics

Share of employees participating in regular performance and career development reviews

Gender	2024	2025
Women	88%	77%
Men	94%	90%

Average number of training hours per employee (hours)

Gender	2024	2025
Women	5.6	7.5
Men	5.6	7.9

S1-14 Health and safety metrics

	2024	2025
Share of employees with employment contracts covered by occupational health services (%)	100%	100%
Number of fatalities due to work-related injuries and occupational health issues	0	0
Occupational accidents	17	18
Accident frequency ¹	10.3	8.4
Number of occupational health issues (occupational disease)	0	0
Number of workdays lost due to work-related accidents	30	18

¹The company reports the accident frequency for accidents resulting in sick leave, of which there were 7 cases in 2025

S1-15 Work-life balance metrics

Family-related leave	2024	2025
Share of employees entitled to take family-related leave	100%	100%
Percentage of employees entitled to take family-related leave who took parental leave	16.9% ¹	16.4%
Men who have taken family leave	16% ²	16%
Women who have taken family leave	19% ²	17%

¹The data has been updated to include the company's employees in China

²The data has been updated due to a refinement in the calculation principles

S1-16 Remuneration metrics (pay gap and total remuneration)

	2024	2025
Gender pay gap (percentage) ¹	1.7% ²	1.8%
Ratio of the highest paid individual to the median annual remuneration for all employees	12.1	10.7

¹The KPI covers the company's employees in Finland. For the company as a whole, the aggregated gender pay gap was 6.0% in 2025. According to the company's assessment, the company-level figure does not reflect the actual situation, as it is distorted by the significant difference in pay levels between Finland and China, as well as the opposite gender distribution between the company's operations in Finland and China.

²The gender pay gap figure contains uncertainty for 2024 because the calculation method was refined from Q3 onwards to be more accurate and in line with ESRS guidelines.

The gender pay gap is mainly explained by certain individual roles.

S1-17 Incidents, complaints, and severe human rights impacts

No concerns were reported through the company's reporting channel in, either by the company's own workforce or other stakeholders (2024: 0). The company has not identified any serious human rights cases during the reporting period (2024: 0). The company has not paid any related fines, penalties, or compensations during the reporting period (2024: 0).

All forms of harassment, bullying, or discrimination are strictly prohibited, as defined in the Code of Conduct and Personnel policy. Personnel are instructed to report any incidents by contacting, for example, their supervisor, a shop steward, the HR department, or

management. Incidents are addressed immediately when they arise, and confidential hearings are held to investigate the situation. Cases are primarily resolved by supervisors, and only some cases are brought to the attention of the HR department, so there is no accurate monitoring of the number of cases and, therefore, the company does not report the total number of discrimination or harassment cases reported during the reporting period. During the reporting year, some cases of harassment that were not reported through the reporting channel were handled in accordance with the company's processes. The cases were not serious in nature.

S1 REPORTING PRINCIPLES FOR METRICS

S1-6 Characteristics of the company's Employees

The figures presented in the table are accurate. The figures are taken from a continuously updated HR system, and the numbers presented in the table are reported as the number of employees at the end of the reporting period.

S1-7 Characteristics of non-employee workers

The figures come from a continuously updated HR system, and the numbers presented are reported as the number of employees at the end of the reporting period. The number of non-employees does not change significantly during the period. A large proportion of them are people provided by companies engaged in employment activities, who are used as needed, particularly to balance unpredictable workloads.

S1-8 Collective bargaining coverage and social dialogue

The figures presented in the table are accurate. The figures come from a continuously maintained HR system, and the numbers presented in the table are reported as the number of employees at the end of the reporting period.

S1-9 Diversity metrics

The definition of senior management is one level below the administrative and supervisory bodies (the Management team).

The figures presented in the table are accurate. The figures come from a continuously maintained HR system, and the numbers presented in the table are reported as the number of employees at the end of the reporting period.

S1-13 Training and Skills Development metrics

The number of training hours is based partly on estimates and partly on the assumption that the number of hours is the same for both genders. Where accurate data was available, the gender distribution was balanced.

S1-14 Health and safety metrics

The accident frequency rate is calculated by dividing the number of accidents at work resulting in sick leave by the number of hours worked and multiplying the result by one million. According to ESRS requirements, the indicator must include all accidents that occurred during the reporting year, of which there were 18 in 2025, resulting in an accident frequency of 21.5 in 2025. However, the company estimates that this does not give a true picture of the company's situation, as the accidents without absence were very minor: they did not require first aid or a visit to the doctor and did not result in any restrictions on work ability, transferred work tasks, or absences.

The figures come from the continuously maintained HR system, the occupational health care system, and the occupational accident insurer's system. The company complies with Finnish law, which stipulates that occupational health care is available to everyone. For other figures, the number of occupational accidents and work-related health problems comes from occupational health care and the occupational accident insurer. The number of working hours required for calculating the accident frequency comes from a continuously maintained HR system.

S1-15 Work-life balance metrics

The figures presented in the table are accurate. The figures come from a continuously maintained HR system, and the numbers presented in the first table are reported as the number of employees at the end of the reporting period. The number of employees on family leave is presented for the entire reporting period. The percentage of employees on family leave has been updated to include the company's employees in China for the comparison data. In 2024, the percentage was 16.9% instead of the previously reported 17.4%. The calculation method for the percentage of men and women who took family leave has been changed, and the comparison data has been updated. The updated indicator shows the percentage of men/women who took family leave out of all male/female employees of the company.

S1-16 Remuneration metrics (pay gap and total remuneration)

The figures presented in the table are accurate. The figures come from a continuously maintained HR system, and the numbers presented in the table have been calculated from the total salaries for the reporting period.

S1-17 Incidents, complaints, and severe human rights impacts

The key figures include reports received through the reporting channel and serious cases brought to the attention of HR.

The calculation takes into account the company's employees working in both Finland and China. For China, actual working hours are not available, so the estimate is based on available employment contract data. In the figures for 2024, Chinese employees are not included in the S1-14 accident frequency indicator. The figures for 2025 also include Chinese employees.

S2 – Workers in the value chain

SBM-3 Material impacts, opportunities, and risks related to workers in the value chain

S2.1 Working conditions S2.2 Equal treatment and opportunities for all S2.3 Other work-related rights			
Impacts	Opportunities and risks	Location in the value chain	Management
<p>+</p> <p>The company's supplier requirements and monitoring practices encourage suppliers to improve working conditions and ensure that workers' rights are respected in the value chain, compared to a situation where the supplier would only co-operate with non-EU operators (actual positive impact)</p>	None identified	Beginning of the value chain through business relationships	<ul style="list-style-type: none"> • Due diligence in the selection of suppliers • Supplier requirements • Monitoring of working conditions for own imports and private label products through the Amfori BSCI program, which promotes sustainable trade, including social responsibility audits and readiness for the program's zero-tolerance policy, as well as efforts to provide suppliers with tools for developing their responsibility work, such as a development plan based on audit results and training
<p>-</p> <p>Violations of employee rights can have a negative impact on employees and their families. The company has a Supplier Code of Conduct and requirements for suppliers, but the company cannot completely eliminate the risk of challenges related to working conditions in its supply chains (potential negative human rights impact)</p>	None identified	Beginning of the value chain through business relationships	<ul style="list-style-type: none"> • As above

The positive effects are seen to result from development work in the Supplier Code of Conduct and procurement practices. This applies in particular to value chain workers working for direct suppliers, but suppliers are also required to apply the same practices to their own supply chains. On the other hand, the company has identified potential negative impacts related to working conditions, as it cannot completely eliminate the risk of challenges related to working conditions in its supply chains. Potential negative human rights impacts may be directed to the realization of labor rights and human rights, such as safe working conditions, adequate rest, a living wage, and the prohibition of

harassment, discrimination, forced labor, and child labor, as described in the Stakeholder Engagement table. The impacts relate to all employees in the value chain through business relationships. The materiality assessment includes uncertainties regarding workers at the beginning of the value chain, over whom the company does not have full visibility.

The company has not identified any material risks or opportunities related to workers in the value chain, nor any dependencies on the company's strategy or business model. The company's assessment of the vulnerability of different employee groups to negative impacts is based on the Amfori BSCI program, whose Code of Conduct specifically

define the special protection of young workers based on the vulnerability of this employee group, as well as specific measures to safeguard the rights of migrant and seasonal workers.

The impacts on workers in the value chain are caused by the company's business model in such a way that the products sold by the company, especially consumer electronics, are concentrated in countries with a high risk of human rights and labor rights violations, including the risk of child labor or forced labor, based on the Amfori BSCI risk classification and World Bank indicators. The company has not specifically assessed the extent to which the risk of child labor or forced labor is significant or whether the negative impacts are widespread or systemic in the contexts in which the company operates, makes purchases, or has other business relationships.

S2-1 Policies related to value chain workers

The policies for managing sustainability issues related to value chain workers are described as part of the company's Code of Conduct and specified in the Supplier Code of Conduct, which broadly covers human rights, social and environmental responsibility, and risk materials, for example. In terms of social responsibility, the covered topics include governance practices and supply chain management, employee engagement and protection, the right to organize and negotiate, prohibition of discrimination, violence, and harassment, fair wages, reasonable working hours, occupational health and safety, prohibition of child labor, special protection for young workers, prohibition of precarious employment, prohibition of forced labor, human trafficking and smuggling, environmental protection, and ethical business practices, in accordance with the principles of Amfori BSCI. The Code of Conduct and related requirements guide the company's operations in terms of identified positive impacts on employees in the value chain and potential negative impacts, focusing on the themes of working conditions, equal treatment and equal opportunities for all, and other work-related rights.

The company respects and promotes internationally recognized human rights. This includes workers in the value chain. Respect for human rights is documented in the company's Code of Conduct and

the Supplier Code of Conduct. Additionally, the requirement to respect human rights and labor rights has been specified in the Supplier Code of Conduct, considering cooperation with partners in countries where human rights and labor rights are not sufficiently protected by law. Furthermore, the Supplier Code of Conduct states that the company's operations are guided by international declarations, agreements, and recommendations such as the UN Universal Declaration of Human Rights and the Convention on the Rights of the Child, the ILO Convention on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights, according to which the company is committed to identifying, preventing and mitigating potential adverse human rights impacts related to business operations.

The company exercises due diligence in selecting its suppliers and aims for long-term partnerships. The company has been a member of the Amfori BSCI program since 2021, which promotes sustainable trade, and is committed to the BSCI principles and the continuous improvement model, as well as to identifying, preventing, and mitigating potential and actual adverse social impacts. The company requires all its suppliers to comply with the company's Code of Conduct and to commit to the Supplier Code of Conduct, which includes the Amfori BSCI principles and is part of the contract terms. The Supplier Code of Conduct covers all the company's suppliers, regardless of geographical location. The company does not have its own production facilities. The company complies with all applicable trade sanctions and customs import and export regulations.

Suppliers and value chain employees globally are a key stakeholder group in the Code of Conduct. Their interests have been considered, considering that Amfori BSCI has involved stakeholders in drafting the Amfori BSCI Code of Conduct, which is part of the company's Supplier Code of Conduct. The Amfori BSCI Code of Conduct is available to value chain workers in all manufacturing factories subject to BSCI audits.

During the reporting year, the company did not become aware of any adverse decisions regarding cases related to workers in the value chain at the beginning and end of the value chain, where the UN Guiding Principles on Business and Human Rights, the ILO Declaration on

Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises were not followed.

The scope, responsibilities, and availability of the company's policies are presented in the *MDR-P Policies adopted to manage material sustainability matters* section.

S2-2, S2-3 Engagement with value chain workers and channels for raising concerns

Engagement with workers in the value chain is continuous and occurs indirectly through supplier representatives, and for suppliers manufacturing the company's private label products, also through third-party social responsibility audits. The company leverages its membership of the Amfori BSCI program, a leading industry initiative promoting sustainable trade, for communication. The company's Chief Commercial Officer, who is part of the executive Management Team, is responsible for ensuring that communication takes place and that the results are considered in the company's practices. The operational responsibility for hearing value chain employees through audit data lies with the quality assurance employees within the purchasing organization. The company ensures that they have up-to-date expertise to properly fulfil their roles.

Most of the company's private label products are manufactured in countries with a considerable risk of human rights and labor rights violations, based on Amfori BSCI risk country classifications and World Bank indicators. The company requires suppliers of its private label products operating in high-risk countries to provide evidence or consent to an Amfori BSCI audit or another reliable third-party social responsibility audit before placing an order. Suppliers must prepare a corrective action plan for all significant findings in the audits, and in the case of a failed audit, new orders can only be placed once the critical deficiencies leading to the failure have been corrected.

The Amfori BSCI program includes a zero-tolerance model for cases where the auditor finds evidence of issues such as child labor, forced labor, inhumane treatment, occupational health or safety violations that pose an immediate danger to life, health, or safety, or unethical behaviour

such as bribery or concealment by the auditor. In such situations, a rapid alert program is initiated, where companies associated with the manufacturing facility in question are immediately informed of the suspected violations, and a process to rectify the situation is initiated. During the reporting year, the company was not made aware of any zero-tolerance cases, nor was it involved in any related investigation or remediation programs that would have offered or supported corrective actions for those harmed by the impacts.

Through the observations made by the auditor and the employee interviews conducted as part of the audit, the company obtains information about the situation of value chain employees. According to the BSCI program's principles, employee rights and various occupational safety information, must be clearly visible to employees in a language they understand. Additionally, the supplier must provide its employees with a grievance mechanism and communicate about it. The compliance of the grievance mechanism is verified in the audit. The company considers the measures to remedy the negative impacts of processes to be sufficiently effective. The company monitors the effectiveness of actions and initiatives in delivering results for value chain workers through its Amfori BSCI membership. The company does not specifically monitor the awareness or trust of value chain employees in reporting channels.

The company's own reporting channel for raising concerns is available to anyone if required, including value chain workers or their legal representatives. Information about the reporting channel can be found in the company's Code of Conduct and Supplier Code of Conduct, which are available on the company's website in Finnish and English. The company has whistleblower protection principles in place, which are expressed in the company's Whistleblowing policy.

S2-4 Actions and resources related to value chain workers

Actions	Time horizon	Scope	Expected outcome
Development of monitoring compliance	2024–2028	Beginning of the value chain globally	Ensuring that purchases are made from direct suppliers showing proof of adequate working conditions

The company manages material impacts on value chain workers by exercising due diligence in supplier selection, setting requirements for its suppliers, and being a member of the Amfori BSCI program.

The company reviews the necessary measures to mitigate potential negative impacts as part of the company’s sustainability work and the setting of Sustainability program targets. The Supplier Code of Conduct is reviewed and updated regularly. The process for setting responsibility targets is described in the section The role of the administrative, management, and supervisory bodies.

Additionally, the company reviews the necessary measures to mitigate any negative impacts in connection with the regular updates of the Supplier Code of Conduct.

Monitoring supplier compliance – 2025 actions and resourcing

In the reporting period, the company carried out further development work to improve the monitoring of supplier compliance. The measures included general improvements to the procurement process, including the development of process descriptions and documentation, technical development of the supplier database, reform of contract management, definition of performance evaluation, and identification of supplier information. This development work supports the assurance of compliance by both suppliers and the products sold. At the end of the year, preparations were made to expand technical capabilities for collecting sustainability data, harmonizing data collection, and improving and streamlining data monitoring and measurement with the support of the system.

In the reporting year, the company updated its Supplier Code of Conduct. The update supports data collection and reporting in line with sustainability goals and considers the 2024 update to the Sustainability

program, which expanded the goal of ensuring adequate working conditions for value chain workers to cover all direct suppliers in addition to private label brands and own imports. The aim is to ensure responsible procurement and adequate and safe working conditions throughout the supply chain. Additionally, clarifications were made in the update to ensure that the principles correspond in all respects to the impacts, risks, and opportunities identified in the double materiality analysis throughout the value chain. The Code of Conduct will be implemented at the same time as the company’s other renewed operating models. Additionally, in the reporting year, the company has reviewed and updated the procurement process for its private label brands and the operating models related to the process. In renewing the process, operating models, and guidelines, the aim has been to consider as extensively as possible the new and upcoming requirements for due diligence.

In the reporting year, the company continued active supplier selection and evaluation work. Reducing the number of suppliers contributes to the company’s ability to communicate and monitor its sustainability goals for workers in the value chain.

The company’s efforts to monitor the effectiveness of the requirements set for suppliers in 2025 will focus on the value chains of its private label brands and other imports, where it has relatively greater influence than in the case of international brands. Sustainability topics are part of contract negotiations.

Working hours have been allocated in the purchasing, logistics, and sustainability organizations to prevent and mitigate the negative impacts of the value chain and to leverage its positive impacts. In the reporting year, the company strengthened its resources by recruiting a new manager whose responsibilities include responsibility and regulatory issues related to products and the supply chain, such as monitoring regulations, the development of procurement processes and guidelines, the training of procurement teams in responsibility issues, and cooperation with suppliers. Additionally, resources were allocated to system development to improve technical capabilities. The implementation of the planned development measures did not require capital expenditure (CapEx) or significant operating expenditure (OpEx).

S2-5 Targets related to value chain workers

Target	KPI	Result 2025	Target
Ensure that purchases are made from suppliers who provide adequate working conditions	Percentage of direct suppliers showing proof of adequate working conditions, for example in the form of an approved social responsibility audit	N/A ¹	100%

¹The company plans to start KPI reporting in 2026

MDR-T Tracking effectiveness of policies and actions through targets

The target is to promote positive impacts on value chain workers and mitigate potential negative human rights impacts. No specific base year or value has been defined for the target. The target is relative and applies to the company’s beginning of the value chain in terms of direct suppliers. In 2025, the wording of the target was clarified to reflect the requirement to present a valid and approved audit result when placing an order. The company plans to start KPI reporting in 2026 once the technical development of the supplier database has been completed, after which progress will be monitored annually through KPI reporting.

The targets were set based on the views of stakeholders on the impacts on the value chain, considering the key interests and views of value chain workers and human rights perspectives, as described in the table Stakeholder engagement. Communication with value chain workers, which also concerns the setting of targets, is described in the section *S2-2, S2-3 Engagement with value chain workers and channels for raising concerns*.

The company has not specifically assessed the consistency of the objectives with national, EU, or international policy objectives, nor how the objectives consider the broader context of sustainable development or the local situation in the area affected.

S4 – Consumers and end-users

SBM-3 Material impacts, risks, and opportunities related to consumers and end-users, and their interaction with strategy and business model

S4.3 Social inclusion of consumers and/or end- users:			
Impacts	Opportunities and risks	Location in the value chain	Management
<p>⊕ Enabling equal access to the company’s products and services for all consumer groups, can positively contribute to social inclusion among consumers (positive actual impact)</p>	<p>⊕ Equal access to products and services for all consumer groups can increase the company's sales (positive actual impact)</p>	<p>End of the value chain</p>	<ul style="list-style-type: none"> • The company’s products and services are equally accessible to all consumer groups through the online service, including essential products such as mobile phones, customer service, and circular economy services • Home deliveries • Fast deliveries • Accessibility of the online store
S4.2 Personal safety of consumers and end-users			
<p>⊖ A possible neglect of product safety measures, for example those related to product characteristics or safety instructions, may lead to isolated situations in which a customer’s health or safety is put at risk. For example, products containing batteries carry a fire risk, and failure to comply with safety measures could potentially cause harm to a customer’s health or safety (a potential negative human rights impact)</p>	<p>None identified</p>	<p>End of the value chain</p>	<ul style="list-style-type: none"> • Compliance assurance process for all private label products • Product knowledge and identification of product risks • Monitoring and minimising recalls and responding to potential deficiencies

The topics identified in the materiality process apply to all consumers and end-users. The company strives to mitigate the identified negative impacts of its operations by focusing on product quality and monitoring product compliance and responsibility with the aim of ensuring an efficient and responsible procurement process.

S4-1 Policies related to consumers and endusers

The company's policies relating to consumers and end-users are set out in the company's Code of Conduct and, with regard to privacy, specified

in the Information security policy and privacy statement, covering all customers and end-users.

In accordance with its Code of Conduct, the company treats and serves all customers equally, ensures the safety of its customers' transactions in stores and online, and ensures the safety and compliance of the products sold. In line with its Code of Conduct, the company respects and promotes internationally recognized human rights. This also applies to customers, and the company does not tolerate any discrimination against or harassment of customers. Customer data and other personal information are kept confidential. Measures to

address and/or enable the correction of human rights impacts related to consumers and end-users are detailed in the Stakeholder Dialogue table.

According to its Data privacy statement, the company is committed to protecting its customers' privacy and offers them the opportunity to influence the processing of their personal data. The company’s Code of Conduct related to consumers and end-users is guided by internationally recognized norms concerning consumers and/or end-users and the UN Guiding Principles on Business and Human Rights, and in the company’s interpretation, is in accordance with them.

The scope, responsibilities, and availability of the company's policies are presented in the section *MDR-P Policies adopted to manage material sustainability matters*.

In the reporting year, the company was unaware of any adverse decisions regarding cases related to consumers and/or end-users at the end of the value, where the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises were not followed. In the reporting year, the company announced the decision of the Helsinki Administrative Court, which upheld the administrative penalty imposed on the company by the Data Protection Ombudsman. According to the Administrative Court, the company had failed to specify the retention period for its online store customers' customer data as defined in the EU Data Protection Regulation. The Administrative Court's decision is not final. The company has applied for leave to appeal to the Supreme Administrative Court.

S4-2 Processes for engaging with consumers and end-users about impacts

The company is in constant and active direct interaction with consumers and end-users in many ways and consider the views of consumers and end-users in the company's strategy and in setting sustainability goals, as described in section *SBM-2 Stakeholder interests and views*. Vulnerable persons are not specifically considered in communications.

Equal access to the company's products and services is part of the company's marketing and customer experience, which widely promotes

the possibility of different delivery methods for customers, including door-to-door deliveries and fast deliveries that promote accessibility. The effectiveness of communication is monitored through customer surveys. According to a survey conducted at the end of the reporting year, awareness of the company's one-hour deliveries was 32% among Finns.

The company engages in dialogue with customers and monitors customer-related incidents through customer service contacts and the reporting channel, including any individual incidents in which the health or safety of customers is compromised due to negligence in product safety measures. If any product safety deficiencies are identified, the company initiates a recall process in which customers are contacted as specified in the process.

As part of the product conformity assessment process, products undergo a risk assessment process. The risk assessment process may result in a need to communicate information about the safe use of the product. The company ensures that such information is available to the end customer when making a product purchase decision, both in the online store and in the store. The company's Chief Experience Officer has the ultimate operational responsibility for ensuring that communication with customers takes place and that the results are taken into account in the company's operating practices.

S4-3 Channels for consumers and end-users to raise concerns

If a consumer or end-user observes illegal activity or activity that seriously violates the company's Code of Conduct or other guidelines, they can contact the company's management directly through the company's reporting channel or make a report either under their own name or anonymously. The procedures and processes for the reporting procedure and channel are described in the company's guidelines and policy on reporting misconduct and in section G1 Mechanisms for identifying, reporting, and investigating concerns of this report. The reporting channel is not primarily intended for communication with consumers and end-users, although it is also available to them. The

company has not made a separate assessment of the extent to which consumers and end-users trust the reporting channel.

In addition to the reporting channel, customers have numerous low-threshold ways to contact the company and express their views. The company believes that, if necessary, a customer or end-user can be guided to use the official channel after initially contacting customer service, social media, or a company employee, for example. The company has a policy in place to protect whistleblowers, which is outlined in the company's policy on reporting misconduct. The company's customer service is prepared to handle possible cases where a consumer has suffered some kind of health damage in connection with the use of a product purchased from the company, for example due to the incomplete application of the instructions for use. The company handles cases on a case-by-case basis in accordance with a predefined operating model. Potential cases are documented and used as a basis for assessing development measures to improve product safety.

S4-4 Actions and resources related to consumers and end-users

Action	Time horizon	Scope	Expected outcome
Improving delivery speed to ensure equal access for consumer groups to the company's products and services	2024–2028	Own operations and the end of the value chain in Finland	90% of households in mainland Finland will be reached with next-day deliveries by the end of 2028
Ensuring and continuously developing product safety	2024–2028	Own operations	No recalls of private labels or own imports

The company enables equal access to its products and services for all consumer groups, which is expected to positively contribute to social inclusion among consumers and increase the company's sales. The company's products and services are equally available to all consumer groups in brick-and-mortar stores and online. The company has developed and continues to develop delivery speed and the availability

of fast deliveries, as well as the accessibility of online shopping, making products and services available to everyone. The company verifies product compliance through various means. The product compliance assessment process includes reviewing product documentation, third-party product testing, shipment monitoring, and self-monitoring. The verification methods used are determined on a risk basis. The company has identified factors such as product characteristics and the target user group as factors affecting the level of risk.

The effectiveness of the measures is assessed by monitoring the number of recalls of private labels and own imports, as well as through customer service channels and contacts via the reporting channel.

Resourcing related to consumers and end-users – 2025 actions and resourcing

The company focused a significant portion of its strategic development resources and commercial and operational development investments on improving delivery speed. The development and continuous improvement of fast and easy multi-channel services are strategic priorities that extend to all the company's operations. As a result, an increasing proportion of customer transactions and purchasing processes are carried out through fast delivery and transaction methods, enabling an efficient service experience for all customer groups. Fast deliveries were also actively marketed.

Additionally, in the reporting year, consumer access to products and services was improved by completing a development project that strengthened the accessibility of the company's online store and support websites based on an accessibility assessment conducted by a third party.

Work to leverage significant opportunities targeting consumers and end-users is carried out primarily as part of sales and marketing, logistics planning, and system development, and resources in terms of working time, operating expenses, and capital expenditure have been allocated to these activities.

In the reporting year, the company developed and refined the compliance assurance process and operating guidelines for all its private label products. Work to ensure and develop product safety is

carried out primarily in the company's procurement organization and logistics operations and working hours and operating expenses have been allocated to this work, with additional resources allocated in the reporting year.

S4-5 Targets related to consumers and end-users

Target	KPI	Result 2025	Target result	Target year
90% of households in mainland Finland will be reached with next-day deliveries	Percentage of households that can be reached with next-day deliveries	80%	90%	2028
No recalls of private labels or own imports	Number of recalls (units)	0	0	Continuous annual monitoring

Progress in target

In the reporting year, 80% of households in mainland Finland were able to receive next-day deliveries when orders were placed during daytime hours on weekdays. The target is progressing as planned and reflects the speed of the company's warehouse and order processing procedures as well as the extent and efficiency of its logistics partners' delivery network. The company assesses the effectiveness of its measures in relation to the target by, among other things, monitoring the proportion of fast deliveries. In 2025, the share of next-day and faster deliveries of all orders increased to 71% (65).

The company succeeded in its recall target in 2025 and did not have any recalls concerning its private labels or other imports. In the reporting year, the company was unaware of any cases of negligence in product safety measures that would have caused serious harm to customer health or safety.

MDR-T Tracking effectiveness of policies and actions through targets

The target for next-day deliveries is based on promoting positive impacts on consumers and/or end-users and managing opportunities. The target is strategic. No separate base year or value has been defined for the target. The target is relative and its scope of application is the end of the value chain and the company's operations in mainland Finland.

The target concerning recalls is based on mitigating potential negative impacts. The target is operational and continuous, and no separate base year or value has been defined for it. The target is absolute and covers all products sold under the company's private labels and other products imported by the company in all countries where the company operates.

Consumers and end-users were not specifically consulted when setting the target. The key interests and views of customers and end-users were considered when defining the targets, as well as human rights perspectives, as described in the *Stakeholder engagement* table. The consideration of stakeholder perspectives in setting strategic targets is described in section *SBM-2 Stakeholder Interests and Views*. Communication with customers in general is described in more detail in *Processes for engaging with consumers and end-users about impacts* section.

The company has not specifically assessed the consistency of its objectives with national, EU, or international policy objectives, nor how the objectives consider the broader context of sustainable development or the local situation in the area affected.



GOVERNANCE

G1 – Business conduct

IRO-1 Material impacts, risks and opportunities related to business conduct

G1.5 Management of relationships with suppliers including payment practices			
Impacts	Opportunities and risks	Location in the value chain	Management
None identified	+ Fair business conduct, ethical practices and proven rigorous risk management practices throughout the supply chain can improve reputation with suppliers and partners improving the chances for long relationships and good commercial co-operation	Own operations and the beginning of the value chain through business relationships	The company's policies, such as the Code of Conduct, Risk management policy, Whistleblowing policy, Anti-corruption and anti-bribery policy, Related party policy, and related practices and their training

G1-1 Corporate culture and business conduct policies

The company's Code of Conduct and values define its way of operating and apply to its entire own workforce and management. The Code of Conduct has been approved by the company's Board, and it covers the company's principles and practices regarding customer-oriented operations, communication, marketing, information disclosure, personnel and corporate culture, cooperation with partners, the prevention of corruption and bribery, human rights and labor rights, information security and privacy, the environment, compliance with laws, and the reporting channel. The Code of Conduct is complemented and specified by the company's policies. The company complies with applicable sanctions legislation and has drawn up specific internal guidelines to ensure appropriate wholesale and travel sales. The company's Anti-corruption and anti-bribery policy covers the key requirements of the UN Convention and, in the company's view, complies with the Convention.

In line with the values defined together with its personnel, the company fosters a bold, agile, and transparent organizational culture and invests in a communal atmosphere. The goal of the company's HR team is to enable both a good employee experience and the creation of a corporate culture that is visible to customers.

One of the themes of the company's Sustainability program is to strengthen a responsible and inclusive work culture and community, through continuous learning, diversity, high-quality leadership, and ensuring physical and mental well-being. Targets and metrics have been defined for the themes of the Sustainability program, and their implementation is monitored. The theme includes targets related to organizational culture, which are measured by the metrics of regularly conducted employee surveys. These targets and indicators are presented in section *S1-5 Targets related to own employees*.

The company has not set any results-oriented targets directly related to the governance, management, and control structures for sustainability issues in accordance with the ESRS GOV-1 standard. Sustainable development management is integrated into the company's general management processes and strategy implementation, the progress of which is monitored using non-separate performance metrics.

Mechanisms for identifying, reporting, and investigating concerns

The company has a policy on reporting misconduct that describes how employees, customers, or other stakeholders can report activities that they suspect are contrary to the law or the company's Code of Conduct

or guidelines. The policy also describes how the company will respond to such reports.

The company provides several different channels for reporting misconduct. Concerns or suspicions of misconduct in the company's operations should primarily be raised with the employee's own supervisor, the company's human resources department or other similar department, management, or any other appropriate contact person. If the whistleblower believes that the matter cannot be dealt with through any other available channel, they may use a reporting channel managed by an external partner. This channel allows concerns to be reported confidentially and, if desired, anonymously. Reports can be made in Finnish or English.

The company is committed to investigating all reports thoroughly and taking the necessary measures regardless of the channel used to make the contact. Reports are assessed and investigated in a manner that is independent, fair, and impartial to all parties, protecting the privacy of both the reporter and the subject of the report. The processing of personal data complies with the obligations of the Data Protection Act. Information about the report will only be shared within the company with those persons who absolutely need it. If necessary, external experts, such as a lawyer or auditor, may be involved in the investigation. The person under suspicion will not be involved in the investigation of the report.

Reports made through the reporting channel are handled by the company's CFO, HR Director, and Legal Director, who report all reports of misconduct they receive to the company's CEO and the Audit Committee of the Board of Directors.

The company has a strict policy of not tolerating any form of retaliation against persons who have made reports in good faith. The company also prohibits any retaliation against its employees who provide information, facilitate the provision of information, or assist in an investigation by the company or a competent authority into suspected misconduct. If a whistleblower becomes aware that they are being subjected to retaliation for making a report of misconduct in good faith, they may report the retaliation to the company in the same manner as any other report of misconduct.

Authority processes

In 2025, the Regional State Administrative Agency for Southern Finland imposed an administrative fine of EUR 540,000 concerning the company's practices related to compliance with the Anti-Money Laundering Act during the period from 1 September 2020 to 31 August 2023. Following the audit, the company has tightened its operating models. The company takes anti-money laundering extremely seriously and actively participates in efforts to combat money laundering and the grey economy.

G1-2 Management of relationships with suppliers

The company's supplier collaboration practices are described in section S2 Workers in the value chain. Environmental criteria were not direct criteria for supplier selection in the reporting year. The company recognizes the importance of environmental criteria and plans to develop processes to better consider them in the medium term.

Principles to prevent payment delays, especially for smes

The company treats all its suppliers equally and does not categorize them in distinct groups. The accounts payable unit of the finance department's accounting team actively monitors open invoices and promotes the payment of invoices from the oldest due date to prevent payment delays. All invoices received in accounting are paid according to the payment days defined by the company.

G1-3 Prevention and detection of corruption and bribery

The company's operating principles for the prevention of corruption and bribery are stated in the company's Code of Conduct and specified in the company's Anti-corruption and anti-bribery policy. The company does not tolerate any form of bribery, corruption, or other unethical influence in its business. The policy is designed to help identify and prevent situations where there is a risk of unethical influence. The policy provides guidelines on how company's employees and management are allowed to accept or give gifts, hospitality, product loans, or discounts, participate in trips

or sales competitions, and defines the company's approval process for them. Additionally, the policy outlines practices such as avoiding conflict of interest and interactions with authorities.

The company strives to develop its ability to identify potential cases of corruption or bribery through training and risk management. The company's principles for combating corruption and bribery are covered in mandatory annual online training on Code of Conduct, which targets the entire workforce, including the company's Management team and CEO. Training was not provided to board members by the company. The training covers all sections of the Code of Conduct, including topics related to the Anti-corruption and anti-bribery policy, as well as the whistleblowing procedure in situations where an employee suspects misconduct. The company has identified procurement and corporate sales as the functions most susceptible to corruption and bribery. The training program covers 100% of the functions assessed as susceptible to corruption. The sustainability and legal units are responsible for keeping the training content up to date. The goal of the training is for the entire workforce to understand and recognize the risks of corruption and bribery related to their work and to commit to the company's Code of Conduct. Additionally, corruption-related risks are assessed annually by each department as part of risk management.

company employees, customers, or other stakeholders can report their suspicions of corruption or bribery in accordance with the company's policy on reporting misconduct. The company's legal unit regularly reports any violations of the principles to the Audit committee and the Board of directors, as well as to the Audit committee regarding corrective measures and ongoing investigations.

The scope, responsibilities, and availability of the company's policies are presented in the section *MDR-P Policies adopted to manage material sustainability matters*.

G1-4 Incidents of corruption or bribery

In 2025, the company was unaware of any cases (2024: none), legal actions or investigations related to corruption involving the company. In 2025, there were no lawsuits or judgments related to violations of

competition law regulations, cartels, or abuse of a dominant market position (2024: none).

G1-6 Payment practices

The average time taken by the company to pay an invoice from the date the contractual or statutory payment term begins was 47 (57) days. The average is calculated based on the number of days from the document date of all invoices for the year to the actual payment date. The standard payment term in the company's general purchasing terms is 60 days net, but this is assessed on a case-by-case basis for example, for smaller suppliers. The company has specific payment dates for paying invoices. If the due date falls on a weekend, the invoice is paid on the next payment day, on a weekday. In 2025, 97% (95) of payments were made within the agreed payment terms, including invoices paid no more than three days after the due date.

The company has no pending legal proceedings due to late payments.

G1 REPORTING PRINCIPLES FOR METRICS

G1-6 Payment practices

The average time to pay invoices has been updated for comparative data due to a refinement in the calculation principles. The updated indicator considers purchase invoices paid in the reporting year. Previously, the indicator considered invoices by date. In 2024, the average time was 57 days, compared to the previously reported 55 days.

CONSOLIDATED FINANCIAL STATEMENTS (IFRS) 2025

1 CONSOLIDATED STATEMENT OF INCOME

EUR thousand	Note	2025	2024
Revenue	7.2	526,489	467,829
Other operating income	7.3	4,158	598
Materials and services	7.4	-436,565	-392,057
Employee benefit expenses	7.5	-35,401	-35,918
Depreciation and amortization	7.7	-6,847	-6,919
Other operating expenses	7.8	-34,442	-32,923
Operating profit		17,392	611
Finance income	7.9	477	394
Finance expenses	7.9	-2,588	-2,431
Profit before income taxes		15,281	-1,426
Income taxes	7.10, 7.16	-2,898	623
Profit for the financial year		12,383	-803
Profit for the financial year attributable to Equity holders of the company		12,383	-803
Earnings per share calculated from the profit attributable to equity holders			
Earnings per share, basic (EUR)	7.11	0.27	-0.02
Earnings per share, diluted (EUR)	7.11	0.27	-0.02

2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	2025	2024
Profit for the financial year	12,383	-803
Other comprehensive income items:		
Conversion differences	-101	62
Comprehensive income for the financial year	12,283	-741
Comprehensive income for the financial year attributable to Equity holders of the company	12,283	-741

The notes are an integral part of these financial statements.

3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	Note	31 Dec 2025	31 Dec 2024
Non-current assets			
Intangible assets	7.13	4,298	4,500
Goodwill	7.13	2,846	2,846
Property, plant and equipment	7.14	6,216	5,473
Right-of-use assets	7.15	21,075	23,864
Deferred tax assets	7.16	1,434	1,769
Trade receivables	7.17	-	6,618
Other non-current receivables	7.17	482	504
Non-current assets, total		36,351	45,573
Current assets			
Inventories	7.18	64,912	51,139
Trade receivables	7.17	6,796	32,551
Other receivables	7.17	4,930	3,170
Income tax receivables	7.17	-	9
Accrued income	7.17	12,897	10,061
Cash and cash equivalents	7.19	47,288	35,600
Current assets, total		136,824	132,529
Total assets		173,175	178,102

EUR thousand	Note	31 Dec 2025	31 Dec 2024
Equity			
Share capital		100	100
Treasury shares		-1,263	-470
Invested unrestricted equity fund		26,896	26,896
Translation differences		-12	74
Retained earnings		1,268	2,108
Profit for the period		12,383	-803
Total equity	7.20	39,372	27,905
Non-current liabilities			
Lease liabilities	7.15	19,573	22,587
Deferred tax liabilities		21	42
Liabilities to credit institutions	7.22.2	15,344	17,000
Provisions	7.24	342	302
Non-current liabilities, total		35,280	39,931
Current liabilities			
Lease liabilities	7.15	4,194	3,842
Liabilities to credit institutions	7.22.2	2,097	2,027
Advance payments received	7.23	3,053	4,050
Trade payables		58,737	68,707
Other current liabilities	7.23	13,557	12,689
Accrued liabilities	7.23	16,348	18,951
Provisions	7.23	10	-
Income tax liabilities		527	-
Current liabilities, total		98,523	110,266
Total liabilities		133,803	150,197
Total equity and liabilities		173,175	178,102

The notes are an integral part of these financial statements.

4 CONSOLIDATED CASH FLOW STATEMENT

EUR thousand	Note	2025	2024
Cash flow from operating activities			
Result before income taxes		15,281	-1,426
Depreciation and impairment	7.7	6,847	6,919
Finance income and costs	7.9	2,111	2,037
Other adjustments		202	-516
Cash flow before change in working capital		24,441	7,014
Change in working capital			
Increase (-)/decrease (+) in non-current non-interest-bearing trade receivables		6,639	1,098
Increase (-)/decrease (+) in trade and other receivables		21,152	2,540
Increase (-)/decrease (+) in inventories		-13,773	11,582
Increase (+)/decrease (-) in current liabilities		-12,715	-7,075
Cash flow before financial items and taxes		25,744	15,159
Interest paid		-1,445	-1,861
Interest received		477	394
Interest of lease liabilities		-1,149	-745
Income tax paid		-2,049	-46
Cash flow from operating activities		21,579	12,902
Cash flow from investing activities			
Purchases of property, plant and equipment		-1,477	-775
Proceeds from property, plant and equipment		7	-
Purchases of intangible assets		-1,300	-992
Cash flow from investing activities		-2,770	-1,766

EUR thousand	Note	2025	2024
Cash flow from financing activities			
Lease liabilities payments		-4,294	-5,149
Lease compensation		222	-
Acquisition of treasury shares		-992	-
Proceeds from long-term loans		-	18,000
Payments of long-term loans		-	-17,500
Proceeds from short-term loans		-	8,000
Payments of short-term loans		-2,000	-10,808
Cash flow from financing activities		-7,064	-7,458
Increase (+) / decrease (-) in cash and cash equivalents		11,745	3,678
Cash and cash equivalents at beginning of the financial year		35,600	31,893
Translation differences		-56	29
Cash and cash equivalents at end of the financial year	7.19	47,288	35,600

The notes are an integral part of these financial statements.

5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A	Share capital	D	Fair value reserve
B	Treasury shares	E	Retained earnings
C	Invested unrestricted equity fund	F	Total equity

EUR thousand	A	B	C	D	E	F
Equity 1 Jan 2025	100	-470	26,896	0	1,379	27,905
Profit for the period	-	-	-	-	12,383	12,383
Transaction differences	-	-	-	-	-101	-101
Comprehensive income for the period, total	-	-	-	-	12,283	12,283
Acquisition of treasury shares	-	-992	-	-	-	-992
Disposal of treasury shares -Board fees	-	200	-	-	-200	0
Share-based incentives	-	-	-	-	177	177
Transactions with owners, total	-	-793	0	0	-22	-815
Equity 31 Dec 2025	100	-1,263	26,896	0	13,639	39,372

EUR thousand	A	B	C	D	E	F
Equity 1 Jan 2024	100	-786	27,599	0	1,565	28,479
Result for the period	-	-	-	-	-803	-803
Transaction differences	-	-	-	-	62	62
Comprehensive income for the period, total	-	-	-	-	-741	-741
Transfers between items	-	-	-704	-	-	-704
Disposal of treasury shares -Board fees	-	316	-	-	-316	0
Share-based incentives	-	-	-	-	871	871
Transactions with owners, total	-	316	-704	0	555	167
Equity 31 Dec 2024	100	-470	26,896	0	1,379	27,905



6 GROUP ACCOUNTING PRINCIPLES

To improve the readability and understandability of the consolidated financial statements, Verkkokauppa.com Oyj Group presents some of the accounting policies as part of these notes, highlighted in grey text boxes. The accounting principles repeat the standard when the Group considers it necessary to understand the applied policies.

6.1 Basic information on the Company

Verkkokauppa.com Oyj is a Finnish public limited liability company and the parent company of the Verkkokauppa.com Group. Verkkokauppa.com Oyj's main business activity is retail trade and principal place of business is Finland. Verkkokauppa.com serves its consumer and business customers online and through four stores located in Helsinki, Pirkkala, Raisio and Oulu. The company's pick-up warehouses are located in Helsinki and Vantaa. In addition, the Group has consumer and wholesale sales in the EU and EEA. The shares are traded on the Nasdaq Helsinki stock exchange.

The company's Business ID is 1456344-5 and its domicile is Helsinki, Finland. The registered address of the company's head office is Tyynenmerenkatu 11, 00220 Helsinki, Finland.

The company's Board of Directors has approved these consolidated financial statements for publication at its meeting on 12 March 2026. According to the Finnish Companies Act, shareholders have the opportunity to approve or reject the financial statements at a general meeting held after their publication. It is also possible to amend the financial statements at a general meeting. A copy of the financial statements of Verkkokauppa.com Oyj and its Group is available from the company's head office and on the investor website https://investors.verkkokauppa.com/en/reports_and_presentations

6.2 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and the IAS and IFRS accounting standards, as well as SIC and IFRIC interpretations, in force on 31 December 2025, have been complied with. International Financial Reporting Standards refer to the standards and interpretations of those standards that have been adopted for application in the EU in accordance with the procedure laid down in EU Regulation (EC) No 1606/2002 in the Finnish Accounting Act and the regulations issued thereunder. The notes to the consolidated financial statements also comply with the requirements of Finnish accounting and corporate legislation supplementing IFRS provisions.

The consolidated financial statements have been prepared based on the original acquisition costs of business transactions, unless otherwise stated in the accounting principles

The Group financial statements are prepared in euros, which is the Group's functional and presentation currency. Business transactions denominated in foreign currency have been converted into the Group's presentation currency at the average exchange rates for period during the Group consolidation phase. Receivables and liabilities denominated in foreign currencies are converted at the exchange rates prevailing on the balance sheet date. Exchange rate differences arising from transactions related to business operations are recorded as adjustments to purchases, and exchange rate differences on cash assets are recorded as financing income and expenses.

The translation differences arising from the elimination of the acquisition cost of foreign entity and the translation differences of post-acquisition profits and losses are recorded in other items of comprehensive income and presented separately in equity. The goodwill generated from the acquisition and the fair value adjustments made to the assets and liabilities of the foreign entity are treated as assets and liabilities of the relevant foreign entity in the local currency,

which are converted into euros using the exchange rates at the end of the reporting period. If the foreign entity is sold as a whole or partly, the reported exchange rate differences are booked as part of the capital gain or loss of the transaction.

The figures in the financial statements are presented in thousands of euros. The figures are rounded, and therefore the sum of individual figures may deviate from the aggregate amount presented.

Foreign currency items

The Group companies' results and financial position are reported in the local currency of each legal entity.

Business transactions in a foreign currency are recorded in the local currency using the exchange rate on the day of the transaction. Receivables and liabilities are converted into euros according to the exchange rate on the balance sheet date. Applied exchange rates are based on official ECB exchange rates.

Exchange rate differences arising from normal business transaction related receivables and liabilities and related potential hedging are included in the operating profit. Exchange rate differences related to financial assets and liabilities and the result of the related hedging instruments are reported in the financial items on the income statement.

6.3 Accounting policies requiring judgment by the management and key factors of uncertainty related to estimates

The preparation of the Group financial statements in accordance with IFRS requires management to exercise judgment related to the selection and application of accounting policies.

In addition, management must make forward-looking accounting estimates and assumptions that may affect the amounts of assets, liabilities, income and expenses recognized during the reporting period. The actuals may differ from the estimates.

Management is required to make judgment-based decisions relating to the selection and application of IFRS accounting policies. This relates in particular to cases where IFRS contain alternate methods of recognition, measurement and/or presentation. Management has assessed that the management's judgment related to the application of the following accounting policies has the most significant impact on the consolidated financial statements:

Segment reporting

Verkkokauppa.com Oyj has one reportable segment. The management of Verkkokauppa.com Oyj has exercised judgement when it has applied the operating segments aggregation criteria to aggregate the operating segments into one reportable segment. All combined operating segments have similar economic characteristics. The main factors to the Group's business model are the strong integration of online shopping and stores, similar customer base, common support functions serving the entire business, and the volume benefits made possible by centralized business.

Key factors of uncertainty related to estimates

The estimates and assumptions are based on historical knowledge and/or other justifiable assumptions that are considered reasonable at the time of preparing the financial statements. It is possible that actual results may differ from the estimates used in the financial statements. The uncertainties and assumptions related to the estimates that may cause a significant risk of change to the carrying value of assets and liabilities relate to the following items:

Business combinations

The valuation of assets and liabilities acquired in a business combination requires management judgment when choosing the valuation techniques and the assumptions. The management believes that the estimates and assumptions used are sufficiently reasonable to determine the fair value.

Measurement of leases

The amount of the lease liabilities and the right-of-use assets to be recognized in the Group balance sheet is significantly affected by the discount rate used in calculating their present values and by the inclusion of options to extend the lease. The management of the Verkkokauppa.com Group has taken into account the Group's business model in relation to physical trading locations in an ever-changing business environment when assessing the likelihood of extension options being exercised. The management has taken into consideration the changes in the financial position of the Group when defining the risk premium of the company-specific discount rate.

Measurement of inventories

A part of the Group's balance sheet is inventories consisting of goods intended for sale. Inventories bear the risk of the recoverable amount being below cost. To assess the risk, the management of the Verkkokauppa.com Group regularly monitors the item turnover rates and compares the sale price with the inventory value. A write-down is recognized if the sale price of an item at the reporting date is lower than its cost in the balance sheet. In addition, the Group separately recognizes write-down for older items according to the inventory dates.

Rebates related to inventory

The amount and timing of inventory-related rebates are subject to uncertainty. The realization of contractual targets creates uncertainty in the amount of the purchase credit to be recognized. Management regularly assesses the amount of target purchase credits to be recognized by monitoring both actual purchase volumes and potential rebates. In case the contract period extends beyond the balance sheet date, the amount to be amortized includes management estimates.

Provisions

The Group recognizes provisions related to the following items: product warranties and the company's extended warranty for certain product Groups. The provisions include estimates of the probability and the

amount of the obligation. The management regularly assesses the amount of costs incurred based on historical actuals.

Climate-related factors

The company's management has assessed the impact of climate-related factors on the company's results, financial position, cash flows and business model. Management regularly assesses climate-related factors as part of risk management and has assessed that transition risks, such as changes in regulatory requirements and the demand environment, in particular, are key to the company's operations. Based on the current assessment, physical risks could mainly affect supply chains. In its assessment, the company's management has concluded that the factors do not have a material impact for the time being.

6.4 Accounting principles for consolidated financial statements

Subsidiaries

The Group's subsidiaries are all companies in which the Group has control. Control arises when the Group has more than half of the subsidiary's voting power, or otherwise has control over the subsidiary. The Group has control over the company if, by being part of it, it is exposed to its variable return or is entitled to its variable return and is able to influence this return by using its power to direct the company's operations. Subsidiaries are fully consolidated from the day on which the Group obtains control.

Mutual share ownership is eliminated using the acquisition method. The acquisition cost is based on the fair value of the acquired assets at the time of acquisition, the issued equity instruments and the liabilities that were incurred or accepted at the time of the transaction. The identifiable assets, liabilities and contingent liabilities of the acquisition target are valued at the fair value at the time of acquisition, from which the share of non-controlling owners has not been deducted. Acquisition-related costs are expensed in the year in which they are incurred.

Intra-Group business transactions, balances, and unrealized profits from business transactions between Group companies are eliminated.

The financial statements of the subsidiaries have been adjusted, if necessary, to reflect the accounting principles of financial statement preparation followed in the Group.

The table below shows the parent company and the subsidiaries belonging to the Group as of 31 December 2025. All subsidiaries are 100% owned and there are no minority shareholders. The ownership interest corresponds to the Group's voting rights. The country of registration of the companies is also their main area of operation.

Verkkokauppa.com company structure

	Country	Ownership of shares % 31 Dec 2025
Parent company		
Verkkokauppa.com Oyj	Finland	
Subsidiaries		
e-ville.com distribution Oy	Finland	100%
Arc Distribution Oy	Finland	100%
Digi Electronics Ltd	Hong Kong	100%
Digital Trading (shenzhen) Co. Ltd	China	100%

6.5 Effects of IFRS standards that become effective during or after the financial year

No IFRS accounting standard, IFRIC interpretation or annual improvement or amendment to IFRS accounting standards issued and effective on or after January 1, 2025 has had a material impact on the 2025 financial statements.

The known IFRS accounting standards that will come into effect in the financial year 2026 or later are not expected to have a material impact on the Verkkokauppa.com Group's results or financial position.

IFRS 18 Presentation of Financial Statements and Disclosures, which will come into effect in the financial year starting on 1 January 2027, will affect the presentation of the main financial statements and add a

disclosure on the performance measures determined by management. IFRS 18 formalizes the structure of the income statement and makes the income statements more comparable by setting three mandatory income statement subtotals: operating profit, profit before financial items and taxes, and profit. Correspondingly, income and expenses are divided into operating, investing, and financing categories. The starting point in the indirect model of the cash flow statement must be operating profit. Verkkokauppa.com Group is currently assessing the effects of the adoption of IFRS 18. The changes are not expected to have a material impact on the financial performance or position of the company's business. The most significant change in reporting is expected to be the presentation of management performance measures presented as notes in the financial statements. The standard is expected to require only minor changes to the company's systems. The company will continue to prepare for the implementation of the standard.

7 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7.1 Segment reporting

Verkkokauppa.com Oyj Group reports on the operating segments in a manner consistent with the internal reporting to the chief operating decision maker. The chief operating decision maker of Verkkokauppa.com Oyj Group is the CEO. The chief operating decision maker is responsible for allocating resources to operating segments and evaluating their performance.

Verkkokauppa.com Oyj Group has one reporting segment. All the aggregated operating segments share similar economic characteristics. At the core of the Group's business model are the strong integration of webstore and retail stores, similar customer base, joint support functions serving the entire business as well as the volume benefits enabled by centralized business.

Due to the large number of customers and the nature of the business, sales to a single customer did not exceed 10 percent of total revenue in 2025 nor in 2024. The total revenue of the Group is mainly generated in one geographical area, Finland.

7.2 Revenue from contracts with customers

The basis for revenue recognition is a customer contract. Revenue from sales contracts is recognized when the performance obligation related to the goods or services has been fulfilled and control over the goods or services has been transferred to the customer. Verkkokauppa.com Group's customers are consumers and companies.

The revenue streams of the Group consist of the sale of goods and services. The product range consists of more than 60,000 products from 24 main product areas that the Group sells to consumers through its own webstore and four retail stores in Finland. The services offered for sale by the Group include installation and maintenance services, and subscriptions and visibility sales. In addition, consumer customers are offered customer financing, which was self-financed until September 2025 and since then provided by a third party.

Verkkokauppa.com Oyj Group presents in its net sales the sales revenue from customer contracts, net of indirect taxes. Verkkokauppa.com Oyj Group is the principal for the products and services it sells, except for subscriptions sold on behalf of telecommunications operators, in which case Verkkokauppa.com acts as agent and presents the commission portion in the revenue. For consumer financing provided by external parties, commission income is presented in revenue.

Verkkokauppa.com Oyj's management has exercised its judgement when it has classified customer financing income as presented in revenue and not in financial income. According to the company's management's interpretation, providing customer financing is an integral part of the company's business model.

Visibility sold by Verkkokauppa.com Oyj in stores, online and in various advertising media is presented as part of revenue, as it is part of the company's business model and actual business. To the extent that the consideration received is tied to Verkkokauppa.com Oyj's purchase volume, the consideration received from visibility is presented primarily as an adjustment to purchases.

Sales of products sold to customers through a store are recognized as revenue when the product is delivered, when control is transferred. If the customer has chosen delivery for the product, the sale is recognized as revenue when the customer gains control of the product.

The transaction price of product sales consists of the list price of the products, the variable consideration related to the right of return, and the transportation fee in cases where the customer has chosen delivery. Regarding the right of return, the company calculates an estimate of the products that will be returned within the 32-day right of return using the expected value method and records a repayment liability and an asset related to the returned products.

Verkkokauppa.com Oyj's customer agreements do not include separate performance obligations that are recognized at different times. The company's product warranties, third-year warranties and own-brand warranties do not provide additional service to the customer and a warranty provision is recorded for them. More detailed principles can be found in *Note Provisions 7.24*.

The Group recognizes revenue from customer contracts for installation and maintenance services when the service is performed. The time to perform the services is short, and the duration of the services is usually defined in hours. The Group recognizes revenue from the sale of visibility mainly over time based on the passage of time. The time-based method of determining the degree of completion corresponds to the input. The customer receives the benefit of the visibility during the service. A receivable based on the customer contract is recognized if the visibility services invoiced is less than the revenue recognized based on the passage of time.

Verkkokauppa.com Oyj offers its customers customer financing. The financing business was sold to an external operator in September 2025 and Verkkokauppa.com operates as a credit intermediary. Commission income from customer financing intermediation is treated as revenue in Verkkokauppa.com's financial statements. To the extent that Verkkokauppa.com Oyj operated as a consumer financing service provider until September 2025, the income from the financing component was recorded monthly according to the actual amount, calculated using the effective interest method.

Verkkokauppa.com Oyj Group presents in its net sales the sales revenue from customer contracts, net of indirect taxes. Verkkokauppa.com Oyj Group is the principal for the products and services it sells, except for subscriptions sold on behalf of telecommunications operators, in which case Verkkokauppa.com acts as agent and presents the commission portion in the revenue. For consumer financing provided by external parties, commission income is presented in revenue.

Disaggregation of revenue

The Group's revenue consists of revenue from customer contracts. Other types of income are specified in the notes on *Other operating income 7.3* and *Finance income and costs 7.9*. The Group's turnover is mostly generated in its functional currency euro from its one main market area Finland.

Timing of satisfying performance obligations

Revenue recognized at one point in time relates to the sale of goods. For services, the company mainly recognizes revenue over time.

EUR thousand	2025	2024
At a point in time	521,925	463,645
Over time	4,564	4,184
Revenue, total	526,489	467,829

Revenue by external customer location

EUR thousand	2025	2024
Finland	481,080	437,708
EU	37,718	28,889
Rest of the world	7,691	1,233
Revenue by external customer location	526,489	467,829

Revenue by sales channel

EUR thousand	2025	2024
Customer segments		
Consumers	360,012	325,750
Business customers	166,477	142,079

Sales channels

Web store	366,509	308,151
Store	160,020	159,679

Product categories

Core categories (CE)	436,059	377,881
Other	90,428	89,949
Own brands	35,200	30,955

Visits to websites, (in the millions)	83	74
---------------------------------------	----	----

Income recognized from customer financing

The Group presents all income from customer financing as part of revenue.

The following table shows the income from company-funded customer financing recognized during the financial year, broken down into interest income recognized using the effective interest rate method

and other income. Other income consists of other fees. The self-financed customer financing business was sold in the 2025 financial year, so income will no longer accrue in the 2026 financial year.

Commission income from the intermediation of consumer credit services is recognized as revenue.

EUR thousand	2025	2024
Interest income recognized using effective interest rate method	3,748	4,964
Other income from company-financed customer financing	2,006	2,788
Income from customer financing, total	5,754	7,752

On 4 September 2025, Verkkokauppa.com completed the sale of its consumer finance business to Norion Bank AB and its payment solutions unit, Walley, for a final sales price of EUR 32.6 million. The transaction resulted in a non-recurring gain on the disposal, increasing operating result (EBIT) by EUR 3.2 million.

Verkkokauppa.com also signed a long-term partnership agreement with Walley to provide consumer financing to its customers, supporting the company's growth and long-term objectives. Under this arrangement, Verkkokauppa.com earns commissions on consumer credit intermediation.

Contract assets and liabilities

EUR thousand	2025	2024
Contract assets	2,325	1,980
Contract advances received	3,053	4,040
Contract liabilities	1,672	2,217

Assets based on contracts are related to services that have not been invoiced, but have already been produced at the time of closing the accounts, as well as an asset related to the right of return. Contractual assets related to services already provided are transferred to accounts receivable when invoiced. The billing interval depends on the customer agreement. The average billing interval is three months.

Advances based on agreements include paid undelivered products and refunds to customer accounts. During the accounting period

158,369 thousand euros (155,471) has been generated to profit and loss from advances.

Contract liabilities include the gift card liability and the repayment liability related to the right of return. Gift cards sold to customers are valid for one year from the date of purchase. Unredeemed gift cards are recognized as revenue when they expire. Verkkokauppa.com offers a 32-day right of return. The refund liability linked to the right of return is canceled at the end of the refund period. Contract liabilities have decreased in respect of refund liability due to a reduction in the relative amount of repayments.

During the financial year 2025, the amount recognized as revenue at the beginning of the period, included in the contract liabilities, was EUR 1,624 thousand (694).

7.3 Other operating income

In other operating income, the Group presents rental income, capital gains and other income that is not directly related to the Group's ordinary business operations.

Lease income is related to the sublease of right-of-use asset items. The related accounting policies are described in more detail in the note on *Leases 7.15*.

EUR thousand	2025	2024
Lease income from subleasing right-of-use assets	359	132
Other income	3,799	466
Other operating income, total	4,158	598

Other operating income in 2025 includes a gain of EUR 3.2 million on the sale of the consumer finance business.

7.4 Materials and services

EUR thousand	2025	2024
Purchases during the financial year	449,945	380,092
Change in inventories	-13,773	11,578
External services	393	387
Materials and services, total	436,565	392,057

7.5 Employee benefits

Obligations related to short-term employee benefits

Short-term employee benefits include wages, including benefits in kind and annual leave pay payable within 12 months. Short-term employee benefits are recognized for work performed up to the balance sheet date under other liabilities and are measured at the amount expected to be paid when the liabilities are settled.

Pension obligations

The pension plan of Verkkokauppa.com Oyj Group is a defined contribution plan. Contributions to defined contribution pension schemes are paid to pension insurance companies, after which the company no longer has any other payment obligations. Contributions to defined contribution pension plans are recognized as an expense in the income statement for the financial year to which they relate. In the Group's subsidiaries located in Asia, pension obligations are fulfilled accordingly within the framework of the statutory pension system and no supplementary pension arrangements are in use.

EUR thousand	2025	2024
Wages and salaries	28,486	29,104
Pension expenses -defined contribution plans	5,075	5,229
Share-based payments	176	175
Other personnel-related expenses	865	715
Voluntary employee benefits	1,809	1,636
Total employee benefits before capitalization	36,411	36,860
Capitalized employee benefits for the financial year		
Wages and salaries	-835	-779
Pension expenses -defined contribution plans	-150	-143
Other personnel-related expenses	-25	-20
Capitalized employee benefits for the financial year	-1,010	-942
Total employee benefits	35,401	35,918

The capitalized personnel costs are mainly related to the development of Verkkokauppa.com Oyj's ERP and other key systems, which is described in note *Intangible assets 7.13*.

	2025	2024
Number of employees at the end of the financial year	594	615

The number of employees includes both full-time and part-time employees. The amount does not include temporary agency workers.

Information on management's employee benefits is presented in the note on *Remuneration of key management personnel 7.6*.

Share-based payment is described in more detail in *Share-based payments 7.12* in the notes to the financial statements.

7.6 Remuneration of key management personnel

The key management personnel include the company's board members, CEO and members of the management team.

The remuneration committee of the board prepares a reference framework for the salaries, fees and other benefits of the company's CEO and management team, and the board decides on the CEO's salaries, fees and other benefits. The Chair of the Board approves the salaries, bonuses and other benefits of the management team working under the CEO.

Remuneration of the CEO and the management team

Short-term employee benefits

The short-term employee benefits of the CEO consist of a fixed salary and benefits and an incentive bonus for achieving financial and operational targets. The short-term employee benefits of the Management Team consist of basic salary and benefits and an incentive bonus for achieving financial and operational objectives. The remuneration of the CEO and the Management Team also includes a long-term performance-based share plan.

The Board of Directors decides annually on the performance and operational targets, criteria and determination of the incentive bonus based on the proposal of the Remuneration Committee. The earning criteria for the short-term incentive plan for 2025 were 40% based on sales growth, 40% profitability improvement and 20% on the company's targets related to sustainable development and responsible business operations. The Board of Directors may also decide to pay other one-off bonuses at any time based on its own discretion.

Post-employment benefits

The company's CEO and other members of the management team are entitled to a statutory pension benefit. The company has no valid additional pensions or security arrangements for the CEO or other members of the management team.

Benefits payable in the event of termination

The notice period of the CEO is 12 months. If the company terminates the CEO, the CEO will receive compensation corresponding to a fixed salary of six months, pursuant to the CEO agreement. As a rule, the notice period for other members of the Management Team is six months.

Share-based incentives

The company has a performance-based additional share system for the years 2023–2027. The system has three earning periods covering the fiscal years 2023–2025, 2024–2026 and 2025–2027. The Board decides each year on the commencement and details of the earning period. The earning criterion for all three earning periods is total share return (TSR).

The plan is designed to align the objectives of shareholders and management to increase the long-term value of the company, to encourage management to invest personally in the company's shares, to engage executives in the company and to provide them with a competitive remuneration package based on the acquisition, earning and accumulation of the company's shares.

The programs are described in more detail in the note on *Share-based payments 7.12*

The following table shows the remuneration of the CEO and the Management Team as well as the shareholdings and holdings as a percentage of the total share capital. The amounts presented are performance-based. The share-based payments are based on an estimate of their realization at the end of the year. The performance share-based payment includes the cost effect on the financial year, regardless of the time of the share transfer.

Management remuneration and payments

EUR Thousand	CEO	Management team	2025, total	CEO	Management team	2024, total
Short-term employee benefits						
Fixed basic salaries and fringe benefits	424	1,283	1,706	434	1,448	1,882
Incentive bonus	19	86	105	55	90	146
Statutory pension	78	240	317	86	239	325
Share-based benefits						
Share-based payments	50	32	82	30	27	56
Total	570	1,640	2,210	605	1,804	2,409
Shareholding, pcs	119,000	98,651	217,651	119,000	44,352	163,352
% of shares	0.26%	0.22%	0.48%	0.26%	0.10%	0.36%

Remuneration of the Board of Directors

The Annual General Meeting of Verkkokauppa.com Oyj elects the members of the Board of Directors annually and decides on their remuneration. The term of office of the members shall run until the close of the next Annual General Meeting. The members of the Board of Directors are not members of the share-based remuneration scheme, nor are they employed by Verkkokauppa.com Oyj.

The remuneration of the members of the Board of Directors consists of annual fees paid on the basis of their membership of the Board of Directors and committee fees. The fees vary depending on the member's role as Chair or Member of the Board or Committee. In addition, the members of the Board of Directors are reimbursed for

reasonable actual travel and accommodation expenses and other possible costs related to Board and Committee work.

The Annual General Meeting of Verkkokauppa.com Oyj decided on April 8, 2025 that half of the annual remuneration of the members of the Board will be paid in shares of the company after each quarterly announcement and the remaining part of the annual remuneration will be paid in cash, which will cover the taxes arising from the remuneration. However, the annual fee for Board member Samuli Seppälä is paid in full in cash.

During the financial year 2025, the company transferred 37,009 (59,374) treasury shares for the payment of the fees. Shares issued as fees do not have any restrictions on ownership or disposal.

The following table shows the total remuneration of the Board of Directors. The amounts presented are performance-based. The Board of Directors' fees will be the same in the financial years 2024 and 2025. The payment cycle of the fees has changed so that starting from 2025, the fees will be paid during the same financial year to which they relate. Due to the accrual difference, the fees for the financial year 2025 also include the fees for the last quarter of the financial year 2024, which is why the financial years are not fully comparable.

EUR Thousand	2025	2024
Board members 31 Dec 2025		
Arja Talma, Chair of the Board, Chair of the Remuneration Committee	106	88
Samuli Seppälä	44	35
Robin Bade	48	39
Kati Riikonen	50	41
Henrik Pankakoski	48	39
Enel Sintonen, Chair of the Audit Committee	56	38
Irmeli Rytönen	50	32
Former Board members		
Johan Ryding (until 4 April 2024)	-	9
Kai Seikku (until 4 April 2024)	-	9
Remuneration of Board of Directors, total	400	330

The following tables show the shareholdings and holdings of the Board of Directors.

Shareholding, pcs	2025	2024
Arja Talma, Chair of the Board, Chair of the Remuneration Committee	65,391	54,817
Samuli Seppälä	12,519,000	13,347,000
Robin Bade	19,116	13,829
Kati Riikonen	19,116	13,829
Henrik Pankakoski	19,116	13,829
Enel Sintonen, Chair of the Audit Committee	11,946	6,659
Irmeli Rytönen	11,946	6,659
Number of shares, total	12,665,631	13,456,622

% of shares	2025	2024
Arja Talma, Chair of the Board, Chair of the Remuneration Committee	0.14%	0.12%
Samuli Seppälä	27.60%	29.43%
Robin Bade	0.04%	0.03%
Kati Riikonen	0.04%	0.03%
Henrik Pankakoski	0.04%	0.03%
Enel Sintonen, Chair of the Audit Committee	0.03%	0.01%
Irmeli Rytönen	0.03%	0.01%
% of shares, total	27.92%	29.66%

7.7 Depreciation and amortization

EUR thousand	2025	2024
Intangible assets		
Development costs	374	456
Other intangible assets	1,129	986
Amortization of intangible assets, total	1,502	1,442
Tangible assets		
Machinery and equipment	1,031	1,001
Other long term expenses	114	112
Depreciation of tangible assets, total	1,146	1,113
Right-of-use assets		
Premises and facilities	4,150	4,364
Machinery and equipment	50	0
Depreciation of right-of-use assets, total	4,199	4,364
Depreciation and amortization, total	6,847	6,919

7.8 Other operating expenses

EUR thousand	2025	2024
Premises maintenance and operation expenses	6,678	6,663
Financial transactions expenses	2,178	1,593
Marketing	8,055	7,182
Administrative services	16,968	16,900
Other expenses	562	585
Other operating expenses, total	34,442	32,923

Auditor fees

EUR thousand	2025	2024
Statutory audit	172	186
Fees for assignments referred to in Section 1, Subsection 1, Paragraph 2 of the Auditing Act		
For the verification of sustainability reporting	102	13
For other assignments referred to in the above-mentioned section	11	10
Fees for other services	11	-
Auditor fees, total	296	209

The auditing firm elected by the Verkkokauppa.com Oyj Annual General Meeting is PricewaterhouseCoopers Oy.

7.9 Finance income and expenses

Finance income

EUR thousand	2025	2024
Interest income	477	394
Total	477	394

Finance expenses

EUR thousand	2025	2024
Lease liability interest	1,149	745
Other interest expenses	700	1,354
Other finance expenses	719	311
Exchange rate differences on cash and cash equivalents	21	21
Total	2,588	2,431

In addition to financial income and expenses, exchange rate differences have been recognized as adjustments to purchases for the financial year.

7.10 Income taxes

The income taxes of the consolidated income statement are calculated on the basis of the taxable profit for the financial year, tax adjustments for earlier reporting periods as well changes in deferred tax liabilities and assets are recognized in the income taxes item in the income statement. The tax effect of items recognized directly in equity is respectively recognized as part of equity. The current tax charge is calculated based on taxable income at the rate fixed on the balance sheet date. The country of registration of each Group company is presented in note 6.4 *Accounting principles for consolidated financial statements*.

Income taxes in the income statement

EUR thousand	2025	2024
Current taxes	-2,530	0
Taxes for previous accounting periods	-54	-3
Change in deferred taxes	-314	627
Income taxes, total	-2,898	623

The company has no pending tax disputes.

Reconciliation of the effective tax rate

EUR thousand	2025	2024
Profit before income taxes	15,281	-1,426
Taxes calculated at the Finnish tax rate 20%	-3,056	285
Effect of non-deductible expenses	-109	-185
Income taxes from previous accounting periods	-54	-3
Other	167	127
Depreciation difference	161	37
Deferred tax assets recognized for tax losses	-	389
Unrecognized deferred tax assets from tax losses	-6	-26
Income taxes recognized in the income statement, total	-2,898	623
Effective tax rate (%)	-19.0%	43.7%

In the comparison year 2024, the Group has recognised a deferred tax asset of EUR 389 thousand from the confirmed losses of the subsidiary e-Ville Distribution Oy from previous financial periods. This recognition has a significant impact on the Group's effective tax rate in 2024.

The Finnish tax rate in the financial statements of the financial years 2025 and 2024 was 20 percent.

Changes in deferred tax assets and liabilities are presented in note *Deferred tax assets and liabilities 7.16*.

7.11 Earnings per share

Basic earnings per share are calculated by dividing the result for the financial year attributable to the shareholders by the weighted average number of shares outstanding during the financial year. For the calculation of diluted earnings per share, the weighted average number of shares takes into account the dilutive effect of all potentially dilutive shares.

	2025	2024
Earnings per share, basic		
Profit for the year attributable to the shareholders, EUR thousand	12,383	-803
Weighted average number of outstanding shares, pcs.	45,280,025	45,243,689
Basic earnings per share, EUR	0.27	-0.02
Earnings per share, diluted		
Profit for the year attributable to the shareholders, EUR thousand	12,383	-803
Potentially dilutive shares of share-based incentive plan, pcs.	66,967	473,767
Diluted weighted average number of outstanding shares, pcs.	45,346,991	45,287,456
Diluted earnings per share, EUR	0.27	-0.02

Further information on the number of shares is presented in the note on *Equity 7.20*.

7.12 Share-based payments

The Group has a share-based incentive plan that is classified as equity-based payment arrangement with a net settlement feature. The company will, on behalf of the employee, withhold an amount of shares of the share reward that will cover the taxes and tax-like payments payable in cash.

The benefits granted under the plan are measured at the fair value the share of Verkkokauppa.com Oyj at the grant date and are amortized over the earning and commitment periods. The expense is presented in the employee benefit expenses. For equity-settled share-based payment arrangements, an increase corresponding to the expense entry in the income statement is recognized in equity.

Details of the share-based incentive plans.

In 2023, Verkkokauppa.com Oyj established a share-based incentive system for the company's CEO and management team. The purpose of the system is to combine the goals of the shareholders and the management to increase the company's value in the long term, to encourage the management to invest personally in the company's shares, to commit the executives to the company, and to offer them a competitive reward system, where the participants can earn shares as a reward for performance and their own investment.

The new Performance Matching Share Plan 2023–2027 includes three performance periods, covering financial years 2023–2025, 2024–2026 and 2025–2027. The Board will decide annually on the commencement and details of a performance period. The performance criterion for all three earning periods is total share return (TSR). The achievement of the required TSR levels will determine the proportion out of the maximum reward that will be paid to a participant. The prerequisite for participation in the plan and receiving the reward is that the person allocates freely transferable Verkkokauppa.com Oyj shares held by him or her to the plan or acquires the company's shares in a number determined by the Board of Directors.

The rewards from the plan will be paid partly in the company's shares and partly in cash. The rewards will be paid by the end of May in the

year following the end of the performance period. The cash proportion is intended for covering taxes and tax-like costs arising from the reward to the participant. In general, no reward will be paid if a participant's employment or service in the Group ends before the reward payment. The CEO is obligated to hold 50 per cent of the reward shares until the CEO's total personal shareholding in the company corresponds to the CEO's annual salary. The target Group of the plan consists of 3–5 persons (the CEO and all members of the Management Team).

The gross rewards paid for the first earning period 2023–2025 correspond to an estimated total of a maximum of 101,500 Verkkokauppa.com Oyj shares, including the portion paid in cash. The gross rewards paid for the second earning period 2024–2026 correspond to an estimated total of a maximum of 92,900 Verkkokauppa.com Oyj shares, including the portion paid in cash. The gross rewards paid for the third earning period 2025–2027 correspond to an estimated total of a maximum of 225,400 Verkkokauppa.com Oyj shares, including the portion paid in cash.

	2025–2027	2024–2026	2023–2025
Grant date	12 February 2025	13 February 2024	11 May 2023
Vesting start date	1 Jan 2028	1 Jan 2027	1 Jan 2026
Vesting conditions	Share ownership and employment	Share ownership and employment	Share ownership and employment
Payment method	Shares	Shares	Shares
Share price at grant date, EUR	1,80	2.35	2.50
Fair value of share at grant date, EUR*	1,80	2.48	2.63
Estimated number of participants at end of vesting period, %	100%	100%	100%
Estimated change in shares associated with the plan, %	2%	2%	2%
Number of plan participants	5	3	3

* The fair value of the share at the grant date is the current value of the share less the estimated dividends to be paid out during the commitment period.

Effect of share-based payments on the operating result

EUR thousand	2025	2024
Expenses related to share-based payments in the income statement	54	56
Total	54	56

Effect of share-based payments on the balance sheet

EUR thousand	2025	2024
Recognized in equity	135	81
Total	135	81

7.13 Intangible assets

The Verkkokauppa.com Group's intangible assets consist of capitalized development costs, goodwill and other intangible assets.

An intangible asset is recognized when its cost can be measured reliably and it is probable that the economic benefits associated with the asset will flow to the Group. The residual values and the useful lives of the assets shall be reviewed at least at the end of each financial year and adjusted, if necessary, to reflect changes in the expectations of economic benefits. In addition to goodwill, the Group does not have any other intangible assets with an indefinite useful life and no interest costs related to the acquisition of assets that have been capitalized as part of the cost of acquisition.

Annual impairment tests are carried out on the Group's goodwill and intangible assets that are not yet ready for use. In addition, on every balance sheet date, the management of the Group assesses whether there is any evidence of impairment regarding other intangible assets. In case such evidence is present, an estimate is made of the recoverable amount of the asset, which is the fair value of the asset less costs of disposal or a higher value in use. In many cases, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment is recognized in the income statement. The recognized impairment losses are reversed if there has been a change in the estimates used to determine the recoverable amount of the asset. The cancellation takes place up to the maximum amount which asset would have been assigned the book value minus depreciation if no impairment loss had been recorded for it in previous years.

Goodwill

The goodwill arising from the combination of businesses is recorded in the amount by which the transferred consideration, the share of the non-controlling owners in the target of the acquisition and the previously owned share combined exceed the fair value of the acquired net assets. Goodwill is not recorded for depreciation, but is tested for possible impairment annually and in addition whenever there are indications of impairment.

Goodwill related considerations

In impairment testing, the Group has to evaluate indications of impairment using both internal and external sources of information. Group management must make judgments when analyzing information from these sources and drawing conclusions. When determining the value in use, the Group makes estimates of future market development, such as growth rates and profitability. The most significant factors underlying the estimates are the average level of the operating result margin (operating result/turnover) and the discount rate. Changes in these assumptions may materially affect estimated future cash flows. More information on the sensitivity of the recoverable amount to changes in the assumptions used is presented in the paragraph goodwill and impairment testing.

Research and development expenditure

Research and development costs are expensed in the accounting period in which they are incurred, except for development costs that meet the criteria for capitalization. Development expenditure is capitalized as an intangible asset when it can be demonstrated how the development project will generate probable economic benefits and the expenditure incurred during the development phase can be measured reliably. Capitalized development costs are presented as a separate item and amortized over their useful life. Development expenditure previously expensed is not capitalized in subsequent periods.

The Group uses self-developed ERP system as well as other systems, of which development costs are capitalized by the company to the extent that the capitalization criteria are deemed to be met. Capitalized development costs are amortized on a straight-line basis over their useful life. The estimated economic impact of capitalized development expenditure is three years.

Other intangible assets

Other intangible assets are recorded in the balance sheet at their original cost and amortized on a straight-line basis over their useful lives. The economic life of intangible assets has been estimated at maximum of five years. The intangible assets of the Group consist mainly of intangible rights, IT software and licenses.

EUR thousand	Development costs	Other intangible assets	Advance payments and work in progress	Consolidated goodwill	Total
Cost 1 Jan 2025	4,360	6,259	782	2,846	14,249
Increases	-	-	1,300	-	1,300
Transfers between items	823	794	-1,617	-	0
Cost 31 Dec 2025	5,183	7,054	465	2,846	15,549
Accumulated amortization and impairment 1 Jan 2025	-3,855	-3,048	-	-	-6,903
Amortization for the financial year	-374	-1,129	-	-	-1,502
Accumulated amortization and impairment 31 Dec 2025	-4,228	-4,177	-	-	-8,405
Carrying amount 1 Jan 2025	506	3,212	782	2,846	7,346
Carrying amount 31 Dec 2025	955	2,877	465	2,846	7,144

EUR thousand	Development costs	Other intangible assets	Advance payments and work in progress	Consolidated goodwill	Total
Cost 1 Jan 2024	4,165	5,903	343	2,846	13,257
Increases	195	147	649	-	992
Transfers between items	-	209	-209	-	0
Cost 31 Dec 2024	4,360	6,259	782	2,846	14,249
Accumulated amortization and impairment 1 Jan 2024	-3,398	-2,062	-	-	-5,461
Amortization for the financial year	-456	-986	-	-	-1,442
Accumulated amortization and impairment 31 Dec 2024	-3,855	-3,048	-	-	-6,903
Carrying amount 1 Jan 2024	766	3,840	343	2,846	7,796
Carrying amount 31 Dec 2024	506	3,212	782	2,846	7,346

The Capitalized development costs are mainly related to updating Verkkokauppa.com's IT infrastructure and system projects in relation to improving operational efficiency and strengthening fast delivery capabilities.

The Group has no investment commitments in relation to intangible assets.

Goodwill and impairment testing

Goodwill is created in connection with business transactions as the difference between the fair values of the assets and liabilities included in the agreed acquisition and the purchase price paid. No depreciation is recorded on goodwill, but it is tested for possible impairment at least annually, but always whenever there are indications of impairment. Goodwill testing is a process that requires management judgment. Verkkokauppa.com uses both internal and external data sources in this process. Consideration is used, among other things, in preparing cash flows, determining the discount rate, defining cash flow generating units and allocating goodwill. Revenue, operating result and net working capital forecasts are based on the company's long-term forecasts.

Verkkokauppa.com's impairment testing has been performed at the operating segment level. Cash-generating units, i.e. Verkkokauppa.com's online store, store network and new markets, are tested for impairment by comparing the carrying amount of the cash-generating unit Group to its recoverable amount. The book value to be tested includes goodwill, intangible and tangible assets, and net working capital. Annual impairment testing of goodwill is performed by the last day of the financial year, however, always also when there are indications that the recoverable amount of an asset or a Group of cash-generating units is below book value. In addition to goodwill, the Group does not have any other intangible assets that are considered to have an unlimited useful life.

An impairment loss is the amount by which the book value of an asset or cash-generating Group exceeds the recoverable amount of the corresponding item. The impairment loss is recorded immediately with

an effect on result. Recording an impairment loss weakens the Group's result and thus equity, but it has no effect on the Group's cash flows.

Goodwill of EUR 2.8 million is allocated to cash-generating units as follows: online store EUR 1.4 million, store network EUR 1.1 million and new markets EUR 0.4 million. According to the goodwill testing, the present value of the cash-generating units exceeds the carrying amount and therefore no impairment has been recognized for goodwill.

Key accounting estimates and assumptions

In testing the Group's goodwill, the recoverable amount is based on the value in use (present value), which is determined by discounting the estimated future net cash flows at the time of review. Assumptions about the growth of cash flows and the improvement of profitability describe the management's perception of the development of sales and costs in the forecast period. The weighted average cost of capital (WACC) calculated for Verkkokauppa.com before taxes has been used as the discount rate for the amount to be collected. The components of the yield requirement are e.g. risk-free rate, equity beta and market risk premium.

	3-year average	Residual value
Used discount rate	8.8%	8.8%
Average revenue growth assumption	5.2%	2.0%
Average operating result % assumption	4.2%	5.1%

Based on a sensitivity analysis, Verkkokauppa.com's management has assessed that no reasonably possible change in the key assumptions of the impairment testing would have led to an impairment of goodwill.



7.14 Tangible assets

The tangible assets of Verkkokauppa.com Oyj Group include land, servers, other office and warehouse equipment and devices, as well as basic improvements to rental premises.

Tangible assets have been valued in the balance sheet at the original cost less depreciation and impairment. Tangible assets are depreciated on a straight-line basis over the useful life of the asset from the moment the asset is put into use. Real estate is not subject to depreciation. The estimated useful lives of tangible assets are as follows:

Machinery and equipment	3–10 years
Other tangible assets	5–10 years

The residual values and the useful lives of the assets shall be reviewed at least at the end of each financial year and adjusted, if necessary, to reflect changes in the expectations of economic benefits.

Normal maintenance and repair costs are recognized in the income statement as an expense at the time they are incurred. Significant improvements or additional investments are capitalized as part of the cost of the asset and amortized over the remaining useful life of the capital asset if it is probable that future economic benefits associated with the asset will flow to the company. Gains on sales from the write-offs and disposals of tangible assets are presented in other operating income in the income statement, and losses in other operating expenses in the income statement. The Group has no interest expenses related to the acquisition of assets that would have been capitalized as part of the cost of acquisition.

The same principles apply to the assessment of impairment as for intangible assets. The principles are described as part of the notes on intangible assets.

EUR thousand	Land	Machinery and equipment	Other tangible assets	Advance payments and work in progress	Total
Cost 1 Jan 2025	2	14,005	3,169	817	17,994
Increases	-	975	19	903	1,897
Disposals	-	-7	-	-	-7
Transfers between items	-	1,690	-	-1,690	0
Cost 31 Dec 2025	2	16,662	3,189	31	19,883
Accumulated depreciation 1 Jan 2025	-	-9,669	-2,852	-	-12,521
Depreciation for the financial year	-	-1,031	-114	-	-1,146
Accumulated depreciation 31 Dec 2025	-	-10,700	-2,966	0	-13,667
Carrying amount 1 Jan 2025	2	4,336	317	817	5,473
Carrying amount 31 Dec 2025	2	5,961	222	31	6,216

EUR thousand	Land	Machinery and equipment	Other tangible assets	Advance payments and work in progress	Total
Cost 1 Jan 2024	2	13,443	3,054	720	17,219
Increases	-	562	38	175	775
Transfers between items	-	0	78	-78	0
Cost 31 Dec 2024	2	14,005	3,169	817	17,994
Accumulated depreciation 1 Jan 2024	-	-8,668	-2,740	-	-11,408
Depreciation for the financial year	-	-1,001	-112	-	-1,113
Accumulated depreciation 31 Dec 2024	-	-9,669	-2,852	0	-12,521
Carrying amount 1 Jan 2024	2	4,775	314	720	5,811
Carrying amount 31 Dec 2024	2	4,336	317	817	5,473

The Group has no investment commitments in relation to tangible assets.

7.15 Leases

Leases wherein the Group is the lessee

Recognition of leases

At the time the contract was entered into, the company will assess whether the contract is a lease or whether the contract contains a lease element. The company recognizes a right-of-use asset and a lease liability at the inception of the lease, except for leases with a short lease term (less than 12 months) and leases with a low value. Rental costs for short-term and low-value leases are recognized in the income statement under other operating expenses on a straight-line basis over the term of the lease.

Measurement and recognition of lease liability

The lease liability is measured at the present value of the lease payments not paid at the commencement date of the contract. The lease payments are discounted at the interest rate implicit in the lease if that interest rate can be easily determined. If the interest rate cannot be easily determined, the interest rate of the company's incremental borrowing rate shall be used.

The lease agreement for the Jätkäsaari property, which covers approximately 71% of the lease liabilities on the balance sheet, has been discounted at the incremental borrowing rate. The company's incremental borrowing rate has also been used as the discount rate in other lease agreements. Changes in the company's financial position have been taken into account in determining the risk premium when determining the incremental borrowing rate. The discount rates used vary between 1.3% and 5.0%.

The lease payments included in the value of the lease liability at the commencement date consist of fixed payments less available incentives related to lease contracts, variable rent based on index, purchase option exercise prices (when reasonably certain), amounts of residual value guarantees and penalties for termination of lease contracts, if the lease term has taken into account that the lessee exercises the option to terminate the lease.

There are no termination options in the leases of Verkkokauppa.com Oyj that have been taken into account in the calculation. Lease contracts with purchase options are related to machinery and equipment and are not significant.

The lease liability is measured at amortized cost using the effective interest method. Revaluation of the lease liability shall be carried out if there is a change in the lease term, the use of the purchase option becomes or ceases to be reasonably certain, the index used to calculate variable lease payments changes or if there is a change in the expected payments on the basis of residual value guarantees. The discount rate to be used for the revaluation depends on the nature of the change.

The payments for all the leases of the company real estate and facilities are linked to the cost-of-living index. The company will make revaluations of its lease liability and the right-of-use asset when the index changes.

In those contracts where the lease component and the non-lease component must be separated, the distinction is made on the basis of relative stand-alone selling prices. The company has office space leases in which the lease component is separated from the service component. The stand-alone price is based on the estimated levels of capital rents for the region in question.

The lease term used to calculate the lease liability is the period during which the lease is non-cancelable, plus the period of the renewal or termination option if it is reasonably certain that the lessee will exercise the renewal option or not exercise the termination option. The company has extension options related to its real estate. These are not taken into account in the lease term. The decision on extension options is made on a commercial basis when the lessor is to be informed of the use of the extension option. The management of the company has taken into consideration the business model of the company and the agility expected in it in relation to the physical market place in an ever-changing business environment when assessing the probability of the realization of extension options.

Measurement of right-of-use assets

The right-of-use asset is measured at cost at the commencement date of the lease. The cost comprises the initial amount of the lease liability at the commencement date, the lease payments less the incentives received under the lease, the initial direct costs and any costs of restoration.

The company has not recognized the initial direct costs in its leases. The amounts of restoration costs are estimated to be immaterial given the nature of the business and no provision has been recognized for them.

The company measures the right-of-use assets in accordance with the acquisition cost model. Under the acquisition cost model, a right-of-use asset is measured at cost less accumulated depreciation and adjusted for the remeasurement of the lease liability. The right-of-use assets are depreciated on a straight-line basis over the useful life of the asset from the moment the asset is put into service. In case the lease term is shorter than the useful life, depreciations are done over the lease term. The estimated depreciation periods are as follows:

Machinery and equipment	4–7 years
Real estate and premises	2–15 years

Subleases

The company has short-term sublease agreements, which are recognized as income on a straight-line basis over the lease term. Lease income is presented in other operating income in the income statement. These sublease agreements are not material.

Description of the Group's lease portfolio

The Group's lease portfolio consists of leases for real estate, premises and machinery and equipment. The lease for the real estate refers to the Jätkäsaari property, which includes a store, logistics, office and other premises. In other respects, the stores are leases for premises. Leases for machinery and equipment include leases for store equipment.

The leases for premises include several short-term extension options. The leases are not linked to revenue but to the cost-of-living index which is taken into account in the calculation of the lease liability. The leases do not include residual value guarantees or purchase options.

Right-of-use assets

EUR thousand	Premises and facilities	Machinery and equipment	Total
Cost 1 Jan 2025	55,777	1,620	57,397
Increases	0	418	418
Increase/decrease due to remeasurement	993	-	993
Cost 31 Dec 2025	56,769	2,038	58,807
Accumulated depreciation 1 Jan 2025	-31,913	-1,620	-33,533
Depreciation for the financial year	-4,150	-50	-4,199
Accumulated depreciation 31 Dec 2025	-36,063	-1,669	-37,732
Carrying amount 1 Jan 2025	23,864	0	23,864
Carrying amount 31 Dec 2025	20,706	368	21,075

EUR thousand	Premises and facilities	Machinery and equipment	Total
Cost 1 Jan 2024	40,897	1,620	42,517
Increase/decrease due to remeasurement	14,880	-	14,880
Cost 41 Dec 2024	55,777	1,620	57,397
Accumulated depreciation 1 Jan 2024	-27,549	-1,620	-29,169
Depreciation for the financial year	-4,364	-	-4,364
Accumulated depreciation 41 Dec 2024	-31,913	-1,620	-33,533
Carrying amount 1 Jan 2024	13,348	0	13,349
Carrying amount 31 Dec 2024	23,864	0	23,864

The remeasurements carried out in 2025 and 2024 relate to index increases in lease contracts and to renegotiated leases. In December 2024, the company has entered into an extension agreement for Jätkäsaari real estate and land areas. The extension agreement is valid until December 2032.

Lease liabilities
Maturity analysis, contractual undiscounted cash flows

EUR thousand	31 Dec 2025	31 Dec 2024
Less than one year	5,220	5,326
From one to two years	8,568	9,716
From three to four years	6,958	7,226
Over five years	7,061	10,839
Undiscounted lease liabilities, total	27,806	33,107

Lease liabilities in the balance sheet

EUR thousand	31 Dec 2025	31 Dec 2024
Current lease liabilities	4,194	3,842
Non-current lease liabilities	19,573	22,587
Lease liabilities, total	23,767	26,428

Items recognized in the income statement

EUR thousand	2025	2024
Depreciations on right-of-use assets	4,199	4,364
Interests on lease liabilities	1,149	745
Lease income from subleasing right-of-use assets	359	132
Expenses related to leases of low-value assets	44	52

Items recognized in the cash flow statement

EUR thousand	2025	2024
Total cash outflow for leases	-4,294	-5,894
Lease compensations	222	-

7.16 Deferred tax assets and liabilities

The deferred tax is calculated from the temporary differences between the carrying amount and the tax base, using either the tax rate in force at the balance sheet date or a known tax rate that will come into force at a later date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilized.

Change in deferred tax assets

EUR thousand	1 Jan 2025	Recognized through profit or loss	Recognized in equity	31 Dec 2025
Lease liabilities	5,286	-532	-	4,753
Inventories	40	79	-	119
Provisions	60	8	-	68
Internal margin on Group inventories	0	11	-	11
Depreciation difference	275	161	-	436
Deferred tax asset on loss for the financial year	880	-619	-	262
Total deferred tax asset before netting	6,542	-893	0	5,649
Netting of deferred tax assets and liabilities	-4,773	558	0	-4,215
Total after netting	1,769	-335	0	1,434

Change in deferred tax liabilities

Right-of-use assets	-4,773	558	-	-4,215
Fair value allocations made in connection with the acquisition of a subsidiary	-42	21	-	-21
Total deferred tax liability before netting	-4,815	579	-	-4,236
Offsetting of deferred tax assets and liabilities	4,773	-558	-	4,215
Total after netting	-42	21	-	-21

EUR thousand	1 Jan 2024	Recognized through profit or loss	Recognized in equity	31 Dec 2024
Lease liabilities	3,332	1,954	-	5,286
Inventories	62	-21	-	40
Provisions	202	-141	-	60
Internal margin on Group inventories	2	-2	-	0
Non-deductible expenses related to acquisition of Group companies	239	37	-	275
Depreciation difference	0	880	-	880
Total deferred tax assets before netting	3,835	2,706	-	6,542
Offsetting of deferred tax assets and liabilities	-2,662	-2,111	-	-4,773
Total after netting	1,174	596	-	1,769

Change in deferred tax liabilities

Right-of-use assets	-2,662	-2,111	-	-4,773
Fair value adjustments made in connection with the acquisition of a subsidiary	-74	32	-	-42
Total deferred tax liability before netting	-2,736	-2,079	-	-4,815
Offsetting of deferred tax assets and liabilities	2,662	2,111	-	4,773
Total after netting	-74	32	-	-42

7.17 Trade receivables and other receivables

Trade receivables are receivables arising from goods or services sold to customers in the ordinary course of business. Other receivables are contract assets, other accrued income and financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables and other receivables are classified as current assets if customer payment in respect of them is expected within one year. Otherwise, they are presented as non-current assets.

Following the sale of the consumer finance business in September 2025 and the sale of B2B accounts receivable starting in December 2024, the Company's trade receivables have decreased significantly.

The principles relating to impairment are explained in the note on *Financial risk management.7.22.3*

Changes in the contractual assets are explained in the note on *Revenue from contracts with customers 7.2*.

EUR thousand	2025	2024
Non-current		
Trade receivables	0	6,618
Other non-current receivables	482	504
Non-current receivables, total	482	7,122
Current		
Trade receivables	6,796	32,551
Contract assets	2,662	1,905
Other accrued income	12,897	10,061
Vat receivables	244	136
Income tax receivables	-	9
Other receivables	2,025	1,129
Current receivables, total	24,624	45,791
Non-current and current receivables, total	25,106	52,913

Ageing analysis of trade receivables

EUR thousand	2025		2024	
	Trade receivables	Impairment	Trade receivables	Impairment
Not due	6,474	2	34,388	573
Past due 1–60 days	328	9	5,763	440
Past due 61–120 days	64	58	97	66
Past due over 121 days	0	0	187	187
Total	6,866	69	40,435	1,266

In September 2025, the company completed the sale of its consumer finance business to Norion Bank AB and its payment solutions business unit Walley. As of the balance sheet date of 31 December 2025, trade receivables no longer include receivables from self-financed consumer finance. As of the comparison date of 31 December 2024, long-term trade receivables consisted entirely of customer finance receivables and their share in short-term trade receivables was approximately 77%.

In the financial year 2024, the company entered into an agreement with Norion Bank AB for the management of the invoice ledger and the sale of invoices. In accordance with the agreement, all new B2B invoice receivables have been transferred to Norion Bank AB as of the beginning of December 2024.

Verkkokauppa.com Oyj sold all of its overdue receivables until September 2025 using a so-called continuous trading model, in which all receivables that are overdue for more than 60 days and financed by the company itself are sold to third parties.

Revenue from the sale of products is recognized when control of the product is transferred and no separate impairment provision is recognized.

Reconciliation of impairment of the trade receivables

EUR thousand	2025	2024
Opening bad debt allowance at 1 January	1,266	1,233
Increase in bad debt allowance recognized in profit or loss during year	2,072	3,068
Reduction of allowance for loss on trade receivables recognised in profit or loss during the financial period	-1,179	-
Receivables written of during the year as uncollectible	-2,050	-3,016
Unused amount reversed	-41	-18
Closing bad debt allowance at 31 December	69	1,266

7.18 Inventory

The Group's inventory consists of finished goods for sale, in-store demonstration equipment and serviced products.

Inventories are valued at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

The cost of inventory is determined using the first-in, first-out (FIFO) method. The cost includes direct costs incurred in connection with the acquisition, net of rebates.

The inventory turn and the possible reduction of the net realizable value below cost are regularly assessed and, if necessary, a write-down of inventories is recorded. In addition, the Group separately recognizes a write-down for older items according to the inventory dates.

EUR thousand	2025	2024
Goods	64,912	51,139
Total	64,912	51,139

The Group has recorded a total impairment of inventories of EUR 1.7 million (2.9) during the financial year.

7.19 Cash and cash equivalents

Cash and cash equivalents consist of cash assets and balances on bank accounts. Cash and cash equivalents belong to the category of financial assets measured at amortized cost. Cash and cash equivalents are held in Nordic banks with good credit ratings and are not considered to be at risk of impairment.

EUR thousand	2025	2024
Cash in hand and at banks	47,288	35,600
Total	47,288	35,600

The company's cash assets were fully available at the balance sheet date.

7.20 Equity

Treasury shares

The acquisition of treasury shares, together with the related costs, is presented as a deduction of equity.

Dividend distribution

The dividend proposed by the Board of Directors to the Annual General Meeting is recorded based on the decision of the Annual General Meeting.

Share capital and treasury shares

	Outstanding shares, pcs (1,000)	Number of treasury shares, pcs (1,000)	Number of shares, pcs (1,000)	Share capital carrying amount, EUR thousand
1 Jan 2025	45,268	86	45,355	100
Acquisition of treasury shares	-250	250	-	-
Transfer of treasury shares, Board of Directors' remuneration	37	-37	-	-
31 Dec 2025	45,055	299	45,355	100

	Outstanding shares, pcs (1,000)	Number of treasury shares, pcs (1,000)	Number of shares, pcs (1,000)	Share capital carrying amount, EUR thousand
1 Jan 2024	45,209	146	45,355	100
Transfer of treasury shares, Board of Directors' remuneration	59	-59	-	-
31 Dec 2024	45,268	86	45,355	100

Verkkokauppa.com Oyj Group has one share class. The share has no nominal value. Each share entitles its holder to one vote at the Annual General Meeting. All issued shares have been fully paid out. At the end of the financial year 2025, the share capital of Verkkokauppa.com Oyj was EUR 100,000 and the number of shares was 45,354,532 including 299,336 (86,345) treasury shares held by the company. The company

acquired 250,000 of its own shares during the financial year 2025. The company did not acquire any of its own shares during the financial year 2024.

Fair value reserve

The fair value reserve is a fund that is based on equity investments measured at fair value.

Invested unrestricted equity fund

The invested unrestricted equity fund includes the subscription price of the shares to the extent that they are not entered into share capital on the basis of a separate decision.

Capital management

The aim of the Group's capital management is to support the business through an optimal capital structure by ensuring normal operating conditions. The Group assesses the development and adequacy of its capital structure and equity ratio. Capital management aims to ensure cost-effectively the Group's operating conditions at a competitive level in all business cycles, adequate risk-bearing capacity and good debt management and dividend payment capacity. The objective of capital management is to increase shareholder value and achieve the best possible profit.

The Group has not applied for a credit rating from any external credit rating institution. Capital management is based on continuous monitoring of the objectives set by the Board and of the external financing and defined thresholds, as well as on the approval and implementation of balancing measures in case of any deviations. On the basis of the information it is provided, the Board of Directors evaluates the effects of any deviation and takes the necessary capital management decisions. The Group's net gearing target is defined and monitored as part of normal reporting. The ratio of net liabilities to equity is -15.4% (35.3%) as one of the key indicators for the overall management of the balance sheet. The Group evaluates financing needs on a case-by-case basis considering the cyclical nature of business as well as potential the business acquisitions.

At the end of the financial year 2025, the Group had revolving credit facilities totaling EUR 25 million that had not been utilized. The terms of the covenants are described in note 7.22.3 *Financial risk management*.

EUR thousand	2025	2024
Net debt	6,080	-9,856
Total shareholders' equity	39,372	27,905
Net debt to equity ratio	15.4%	-35.3%

Dividends

The company has not paid a dividend during the financial years 2025 and 2024.

Dividend proposed

According to the company's dividend policy, its target is to pay out 60–80 percent of annual net result in quarterly growing dividends. Verkkokauppa.com Oyj's profit for the financial year 2025 was EUR 11,363,113 and distributable funds on 31 December 2025 were EUR 40,970,139.

The Board of Directors proposes to the Annual General Meeting that a dividend of a maximum of EUR 0.194 per share be paid for the financial year ending 31 December 2025. The remaining profit will be transferred to the retained earnings account. The Board of Directors proposes that the first installment of EUR 0.047 per share be paid on 23 April 2026. In addition, the company's Board of Directors is authorized to decide on the distribution of a maximum total dividend of EUR 0.147 per share in three installments at its discretion. The proposal is based on the company's performance in 2025 and its liquidity position.

7.21 Cash flow information

Net debt reconciliation

EUR thousand	2025	2024
Cash and cash equivalents	47,288	35,600
Bank loans	-17,441	-19,027
Lease liabilities	-23,767	-26,428
Net debt	6,080	-9,856

EUR thousand	2024	2023
Cash	47,288	35,600
Gross debt - leases	-41,208	-45,455
Net debt	6,080	-9,856

EUR thousand	Liabilities from financing activities			Other assets	
	Financial institution loans	Leases	Total	Cash and cash equivalents	Total
Net debt Jan 1, 2024	-21,308	-16,702	-38,011	31,893	-6,118
Increase of financial loans	-26,000	-	-26,000	.	-26,000
Interest rates on financial institution loans	-27	-	-27	-	-27
Decrease of financial loans	28,308	-	28,308	-	28,308
Increase in lease liabilities	-	-14,880	-14,880	-	-14,880
Decrease in lease liabilities	-	5,149	5,149	-	5,149
Cash flows	-	-	-	3,707	3,707
Other changes	-	4	4	-	4
Net debt Dec 31, 2024	-19,027	-26,429	-45,456	35,600	-9,856
Increase of financial loans	-420	-	-420	-	-420
Interest rates on financial institution loans	6	-	6	-	6
Decrease of financial loans	2,000	-	2,000	-	2,000
Increase in lease liabilities	-	-1,410	-1,410	-	-1,410
Decrease in lease liabilities	-	4,294	4,294	-	4,294
Lease compensations	-	-222	-222	-	-222
Cash flows	-	-	-	11,688	11,688
Other changes	-	1	1	-	1
Net debt Dec 31, 2025	-17,441	-23,767	-41,208	47,288	6,080

7.22 Funding

Financial assets

The Group main financial assets are trade receivables and cash.

Classification and measurement

On initial recognition, the Group classifies financial assets into the following measurement categories: financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income. Classification depends on the business model used to manage financial assets and contractual terms for cash flows. Financial assets are derecognized when the right to receive contractual cash flows has expired and the significant risks and rewards of ownership of the financial asset have been transferred outside of the Company.

The Group measures equity investments at fair value through other comprehensive income. Changes in fair value are recognized in other comprehensive income. Dividend income is recorded in the income statement as financial income. Changes in the fair value of equity investments are presented in other comprehensive income and are not subsequently reclassified to profit or loss when the investment is derecognized. The Group records changes in fair value in the fair value reserve of equity, from which they are transferred to retained earnings upon sale.

Financial assets measured at amortized cost are items that are held to collect contractual cash flows and whose cash flows are solely payments of principal and interest. This category includes trade and other receivables of the Group, which consist of non-current lease insurance receivables. Trade receivables are initially recognized in the transaction price if they do not contain a significant financing component. Other receivables in the Group are initially recognized at fair value plus transaction costs and measured at amortized cost using the effective interest method. A gain or loss on a financial asset measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Impairment losses on trade and other receivables are recognized in the income statement under other operating expenses.

Impairment of financial assets

Impairment is described in more detail in the note on *Financial risk management 7.22.3*.

Financial liabilities

The Group's financial liabilities are classified upon initial recognition as financial liabilities recognized at fair value through profit or loss and financial liabilities valued at amortized cost. For financial liabilities other than those recognized at fair value through profit or loss, transaction costs are deducted from the original acquisition cost. All financial debt transactions are recorded on the contract date, which is the day on which the Group commits to the contractual terms of the financial debt. Financial liabilities are written off the balance sheet when the Group's contractual obligation has been fulfilled, canceled or its validity has expired. Arrangement fees related to loan commitments are recorded as transaction costs up to the amount that it is probable that all or part of the loan commitment will be withdrawn, and in that case the fee is recorded on the balance sheet until the loan is withdrawn. In connection with the withdrawal of the loan, the arrangement fee related to the loan commitments is entered as part of the transaction costs. To the extent that it is likely that the loan commitment will not be withdrawn, the arrangement fee is recorded as an advance payment for the service related to the ability to pay and is allocated as an expense for the duration of the loan commitment.

The Group's financial liabilities consist of loans from financial institutions as well as purchase and lease liabilities. The principles of recording and valuation of these are described in their own notes, *Other short-term liabilities and accruals 7.23.3* and *Leases 7.15*.



7.22.1 Financial assets and liabilities by measurement category

31 Dec 2025 EUR thousand	Financial assets and liabilities at amortized cost	Carrying amount 31.12.2025
Non-current financial assets (level 2)		
Trade receivables and other financial receivables*	482	482
Non-current financial assets, total	482	482
Current financial assets (level 2)		
Trade receivables	6,796	6,796
Cash and cash equivalents	47,288	47,288
Current financial assets, total	54,085	54,085
Financial assets by measurement category, total	54,567	54,567
Non-current financial liabilities (level 2)		
Lease liabilities	19,573	19,573
Liabilities to credit institutions	15,344	15,344
Non-current financial liabilities, total	34,917	34,917
Current financial liabilities (level 2)		
Lease liabilities	4,194	4,194
Loans from financial institutions	2,076	2,076
Interest amortization on financial loans	21	21
Accounts payable	58,737	58,737
Current financial liabilities, total	65,029	65,029
Financial liabilities by measurement category, total	99,945	99,945

31 Dec 2024 EUR thousand	Financial assets and liabilities at amortized cost	Carrying amount 31.12.2024
Non-current financial assets (level 2)		
Trade receivables and other financial receivables*	7,122	7,122
Non-current financial assets, total	7,122	7,122
Current financial assets (level 2)		
Trade receivables	32,551	32,551
Cash and cash equivalents	35,600	35,600
Current financial assets, total	68,151	68,151
Financial assets by measurement category, total	75,273	75,273
Non-current financial liabilities (level 2)		
Lease liabilities	22,587	22,587
Liabilities to credit institutions	17,000	17,000
Non-current financial liabilities, total	39,587	39,587
Current financial liabilities (level 2)		
Lease liabilities	3,842	3,842
Loans from financial institutions	2,000	2,000
Interest amortization on financial loans	27	27
Accounts payable	68,707	68,707
Current financial liabilities, total	74,576	74,576
Financial liabilities by measurement category, total	114,162	114,162

Level 2 includes interest-bearing liabilities.

The group has no financial assets or liabilities recognized at fair value through other comprehensive income.

* Other receivables include non-current receivables presented in the balance sheet, which include rental guarantee receivables classified as financial assets.

There have been no transfers between valuation Groups during the financial year or in the comparison year. The balance sheet values of trade receivables and other receivables classified as financial assets are substantially equivalent to their fair values.

7.22.2 Financial institution loans

At the end of financial year 2025, the Verkkokauppa.com Group had a total of EUR 17.4 million (19.0) interest-bearing financial institution loans. EUR 17.0 million of the the company's financial institution loans have variable interest rates. The interest to be paid is determined every six months based on the Euribor reference rate and the net debt/EBITDA ratio. The maturity of the loans is 3 years, from June 24, 2024. The capital of the loans is amortized every six months. No assets have been given as collateral for financial institution loans. EUR 17.0 million of the loans are subject to covenant conditions, which are determined based on the net debt/EBITDA ratio and the net debt ratio. Activities in accordance with the loan covenant are reported to the lenders every six months, and the Group's management monitors the fulfillment of the loan covenant regularly. Verkkokauppa.com has complied with the financial covenants of the loans it has granted to credit institutions in both reporting periods of the financial year. The purpose of the loans raised from financial institutions is primarily to develop the business and the general financing needs of the Group. The company's net debt is primarily managed by managing and optimizing working capital. The carrying amounts of the loans correspond in essential respects to the fair values of the loans, because the loans have variable interest rates and the Group's risk premium has not substantially changed.

7.22.3 Financial risk management
General information

In business operations, the Group is exposed to several financial risks, of which the main financial risks are financing acquisition and liquidity risk, as well as currency and interest rate risk. The goal of the Group's risk management is to minimize the harmful effects of financial market changes on the Group's result. The general principles of the

Group's risk management are approved by the board. The Group's CFO is responsible for the practical implementation of financial risk management by identifying and evaluating risks. The Group does not apply hedge accounting in accordance with IFRS 9.

Funding and liquidity risk

The Group seeks to secure access to finance and sufficient liquidity. A business that generates positive cash flow and a solid management of net working capital enable an optimal capital structure and availability of financing. The Group continuously assesses and monitors the amount of financing required for the business in order to provide the Group with sufficient liquid assets to finance its operations and to pay outstanding payables.

According to the maturity distribution, the most significant part of the debts will mature within a year, with a priority emphasis. Accounts payable are always due within less than a year because they have short payment periods. The maturities of the lease liabilities depend on the agreement and accordingly, they fall due evenly over the duration of the agreement. However, a significant part of lease contract debts matures within less than five years. Maturity has spread to many counterparties.

Contractual cash flows based of financial liabilities and financial guarantee contracts

31 Dec 2025

EUR thousand	<1 year	2-3 years	3-4 years	> 5 years	Total
Bank loans	2,097	15,164	180	-	17,441
Lease liabilities	5,220	8,568	6,958	7,061	27,806
Trade payables	58,737	-	-	-	58,737
Total	66,055	23,731	7,138	7,061	103,985

31.12.2024

EUR thousand	<1 year	2-3 years	1-5 years	> 5 years	Total
Bank loans	2,027	17,000	-	-	19,027
Lease liabilities	5,326	9,716	7,226	10,839	33,107
Trade payables	68,707	-	-	-	68,707
Total	76,060	26,716	7,226	10,839	120,841

The balance sheet contains liquid assets of 27%. The Group diversifies the risk of financing (counterparty risk) by entering into various binding revolving credit facilities with large Nordic banks with solid ratings. By varying the amounts as well as the term of the revolving credit facilities, the Group manages the counterparty and maturity risk. It is also Group policy to maximize the use of cash discounts.

At the end of the financial year 2025, the company's liquidity reserve consisted of liquid cash funds. At the end of the financial year, liquid funds amounted to EUR 47.3 million (35.6). The funds were distributed among various bank accounts.

Interest rate risk

The Group's income and operational cash flows are mainly independent of fluctuations in market interest rates, and thus the Group's exposure to interest rate risk is mainly related to its external loans. The average annual interest rate of the Group's interest-bearing debt excluding lease contract liabilities in accordance with IFRS 16 was 3.9% (5.5%).

The table below shows the effects on the Group's result before taxes and the effect on equity. If interest rates were to rise or fall (+/- 1.0 percentage points) and other factors remained unchanged, it would affect the Group's result after taxes by EUR 170 thousand (200) for the worse or for the better. The sensitivity analysis is based on the interest rate position at the end of the reporting period.

EUR thousand	2025	2024
Change	+/- 1%	+/-1%
Impact on result after tax	170	200

Liquidity risk

The Group aims to monitor the amount of financing required by the business by analysing sales cash flow forecasts, so that the Group has enough liquid assets to finance operations and to repay maturing loans. The availability and flexibility of the Group's financing is aimed at ensuring sufficient credit limit reserves, a balanced maturity distribution of loans and sufficiently long loan periods, as well as by using several financial institutions and forms of financing in the acquisition of

financing. On 31 December 2025, the Group had EUR 25 million (25) in the credit limit reserve, and their validity period is linked to the validity period of the financing agreement.

At the end of 2025, the Verkkokauppa.com Group had interest-bearing financial institution loans totaling EUR 17.4 million (19.0), which is amortized annually by 2.1 million euro and the rest will be paid in June 2027.

Contingent liabilities and assets and commitments

No assets have been given as collateral for financial institution loans. Financial loans and credit limit agreements are subject to covenant conditions. The covenant terms determine the required net debt/ EBITDA ratio and the net debt ratio. In 2025, Verkkokauppa.com has fulfilled these covenant conditions.

Credit and counterparty risk

Credit risks arise when a counterparty is unable to meet its contractual obligations, causing the Group to suffer a financial loss. Trade receivables and other receivables expose the Group to credit risk. The company sold its consumer financing business in September 2025 and is therefore no longer exposed to the credit risk of self-financed customer financing, which was the company's most significant credit risk.

With the sale of customer financing, the Group's main credit risk is on ordinary trade receivables from corporate customers. The Group has defined a credit policy for customer receivables, the aim of which is to increase profitable sales by identifying and managing credit risks in advance. The credit policy defines the minimum requirements for the Group regarding credit transactions and collections. The Group's credit committee determines credit risks.

The Group has credit rules in place, which define, among other things, credit decision principles, limit amounts and trade receivables valuation principles.

On September 4, 2025, Verkkokauppa.com completed the sale of its consumer finance business to Norion Bank AB and its payment solutions unit, Walley. At the same time, Verkkokauppa.com entered into a long-term partnership agreement with Walley to provide consumer finance services to its customers, supporting the company's growth and long-

term goals. Under the agreement, Verkkokauppa.com will receive a commission for intermediation of consumer credit.

In the financial year 2024, the company entered into an agreement with Norion Bank AB for invoice ledger management and invoice sales. In accordance with the agreement, all new B2B invoice receivables have been transferred to Norion Bank AB as of the beginning of December 2024.

Counterparty risk related to cash is managed by investing cash in accounts with large, highly rated, sound Nordic banks. The company's cash is fully withdrawable. Counterparty risk arising from purchasing activities is managed by using, where necessary, a letter of credit as a payment method, which ensures delivery in accordance with the contract. The company's letters of credit are credit-based letters of credit

Impairment

The most significant financial assets of the Group subject to the expected credit loss model required by IFRS 9 are cash and cash equivalents and traditional trade receivables from companies. In addition, it is necessary to apply the impairment model to the financial guarantee contracts. The Group's cash and cash equivalents are deposited in accounts with solid Nordic banks and are therefore not assessed as being at risk of impairment. In addition to the aforementioned financial assets, the contract assets are subject to impairment. The management of the company monitors the development of counterparty risk.

The Group recognizes a lifetime expected credit loss on trade receivables using a simplified method (matrix model). The model based on expected credit losses is anticipative, and the expected portion of credit losses is based on the amounts of historical credit losses. The historical credit loss percentage is adjusted when necessary, taking into account the macroeconomic impact on customers' ability to pay. The expected credit losses over the entire life of the receivable are calculated by multiplying the gross value of the trade receivables with the expected loss portion in all maturity classes. In addition, at each reporting date, the company assesses whether there is further evidence of impairment of an asset, for instance due to insolvency. In these cases,

the company recognizes the impairment immediately. Impairment losses are recognized in other operating expenses in the income statement. Recoverable credit losses are recognized in other operating expenses in the income statement.

When determining the credit loss rates for corporate customers, the customer's historical payment behavior, the aging of receivables and their development were examined.

Changes in expected credit losses are recognized in other operating expenses in the income statement. The total net credit losses recognized in 2025 amounted to EUR 893 thousand (3,068). The effects of the company's net credit losses are described in the note Accounts receivable and other receivables 7.17.

Foreign exchange rate risk

Foreign exchange rate risk means the uncertainty of cash flows, profit and balance sheet resulting from changes in foreign exchange rates.

The currency risk of Verkkokauppa.com Oyj arises mainly from the purchase of goods, as the company has purchasing activities in several different currencies. However, the management of the company does not consider the foreign exchange rate risk to be significant, as most purchases are made in euros. In respect of purchases made in foreign currencies, trade payables in the balance sheet are exposed to foreign exchange rate risk. In addition, the company has advance payments in foreign currency in the balance sheet, with short open positions.

Foreign exchange risk is managed from a commercial point of view through rapid inventory turnover and by seeking to transfer possible exchange rate changes into sales prices or by changing supplier. The company does not hedge against foreign exchange rate risk. Revenue is not exposed to foreign exchange rate risk, as majority of revenue is generated in euros.

The Group has currency accounts in US dollars (USD), Hong Kong dollars (HKD) and Chinese yuan renminbi (CNY). The currency risks of foreign currency accounts relate to exchange rate differences that arise from the conversion of monetary assets to the exchange rate on the balance sheet date. Exchange rate differences of monetary assets are presented in the note Financial income and expenses 7.9.

At the end of the financial year 2025, the amount of currency-denominated open trade payables amounted to EUR 13 thousand (215). Exchange rate differences in accounts payable were irrelevant in 2025 and the comparison year

7.23 Other current liabilities and accrued liabilities

EUR thousand	2025	2024
Contract liabilities	1,672	1,664
Accrued personnel expenses	7,427	6,743
Other accrued liabilities	4,473	7,305
Goods in transit	3,053	3,691
Periodized purchases	1,374	1,185
Withholding tax liability	798	752
VAT liability	11,088	10,273
Other current liabilities and accrued liabilities	29,883	31,613

Payables related to contracts with customers are presented in the note on 7.2 Revenue from contracts with customers.

7.24 Provisions

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision represents the best estimate of the management with regard to the expenditure required to settle the obligation at the end of the reporting period. At each balance sheet date, the management assesses the amount of the provisions and updates them to reflect the best estimate at the balance sheet date. Changes in provisions are recognized in the income statement in the same line item where the original provision was recognized. Provisions have not been discounted due to the minor effect of such discounting.

The provisions recognized by the Group relate to product warranties for the company's own products and additional warranties granted by the company for certain product Groups.

A warranty reserve is recognized at the time of sale of a product based on management's estimate of the product degradation rate, which is based on historical experience. A provision for expected credit losses is recognized based on historical actuals.

EUR thousand	2025	2024
Provisions 1 Jan	302	1,008
Increase in reservations	49	-
Decrease in reservations	-	-705
Provisions 31 Dec	352	302

7.25 Related parties

Verkkokauppa.com Oyj Group's related parties are considered to include the members of the Board of Directors, the CEO of Verkkokauppa.com Oyj Group and other members of the Management Team of Verkkokauppa.com Oyj Group, close family members of the aforementioned persons and controlling entities of the aforementioned persons as well as

Verkkokauppa.com Oyj group companies. Transactions with related parties have been carried out under normal commercial terms. Related party transactions presented here are transaction with related parties that are not eliminated in the consolidated financial statements. Information regarding the remuneration of management and the board of directors is presented in section 7.6.

Transactions with related parties

EUR thousand	2025	2024
Sales of goods and services		
To key management personnel and their related parties	51	77
Purchases of goods and services		
From key management personnel and their related parties	234	135

EUR thousand	2025	2024
Closing balances from purchases / sales of goods / services		
Trade receivables from key management personnel and their related parties	-	-
Trade payables to key management personnel and their related parties	-	27

7.26 Guarantees and commitments

EUR thousand	2025	2024
Collateral given for own commitments		
Mortgages	0	27,301
Guarantees	1,218	1,345
Other commitments and contingent liabilities	284	28

The company's corporate mortgages have been terminated during the financial year 2025, and there are no valid corporate mortgages at the balance sheet date.

The guarantees are related to rental, customs guarantees and letters of credit. Other commitments and contingent liabilities relate to residual value and rental liabilities.

7.27 Subsequent events

On January 21, 2026, the company announced that it had appointed Juha Valtonen as Chief Commercial Officer and member of the Executive Board. He will start his position in October 2026 at the latest.

On January 23, 2026, the company's Shareholders' Nomination Board presented its proposal regarding the composition and remuneration of the Board of Directors.

On 12 February 2026, the company announced that the Board of Directors had decided on a new share-based incentive plan for management.

8 FINANCIAL STATEMENTS OF PARENT COMPANY (FAS) 2025

INCOME STATEMENT

EUR thousand	Note	2025	2024
Revenue	8.2	524,720	466,485
Other operating income	8.3	4,501	636
Materials and services			
Materials and services			
Purchases during the year		-446,283	-376,957
Change in inventories		14,174	-11,490
External services		-3,209	-2,600
Materials and services total		-435,317	-391,047
Employee benefit expenses			
Salaries and fees	8.4, 8.5	-27,486	-28,067
Social security			
Pension expenses	8.4, 8.5	-4,871	-5,022
Other social security expenses	8.4, 8.5	-835	-681
Employee benefit expenses total		-33,193	-33,770
Depreciation and amortization			
Depreciation according to plan	8.6	-2,543	-2,392
Depreciation and amortization total		-2,543	-2,392
Other operating expenses	8.7	-41,219	-40,548
Operating result		16,949	-635

EUR thousand	Note	2025	2024
Financial income and expenses			
Other interest and financing income			
From companies of the same group	8.8	27	27
From others	8.8	477	394
Interest expenses and other financial expenses			
For others	8.8	-1,442	-1,675
Financial income and expenses total		-938	-1,254
Result before appropriations and taxes		16,011	-1,889
Appropriations			
Change in depreciation reserve	8.20	-803	-183
Group contribution		-1,261	00
Appropriations total		-2,065	-183
Income taxes			
Taxes for the financial year	8.9	-2,530	-
Taxes of previous fiscal years	8.9	-54	-3
Result for the financial year		11,363	-2,076

BALANCE SHEET

ASSETS

EUR thousand	Note	2025	2024
NON-CURRENT ASSETS			
Intangible assets			
Development costs	8.10	955	506
Immaterial rights	8.10	0	1
Other intangible assets	8.10	2,770	3,000
Prepaid expenses	8.10	465	782
Total intangible assets		4,191	4,289
Tangible assets			
Land and water areas	8.11	2	2
Machines and hardware	8.11	6,015	4,328
Other tangible assets	8.11	222	317
Advance payments and unfinished purchases	8.11	31	817
Total tangible assets		6,270	5,464
Investments			
Shares in companies of the same group	8.12	6,149	6,049
Other shares and participations		0	0
Total investments		6,149	6,049
NON-CURRENT ASSETS TOTAL		16,610	15,803
CURRENT ASSETS			
Inventories			
Long-term receivables			
Accounts receivable	8.13	-	6,618
Receivables from companies of the same group	8.14	1,830	1,830
Other receivables	8.13	471	492
Total long-term receivables		2,301	8,940
Short-term receivables			
Accounts receivable	8.13	5,604	30,475
Receivables from companies of the same group	8.14	1,327	725
Other receivables	8.15	4,735	4,413
Accruals	8.15	12,897	10,058
Total short-term receivables		24,564	45,671
Cash and cash equivalents	8.17	45,568	34,439
CURRENT ASSETS TOTAL		137,935	140,378
ASSETS TOTAL		154,545	156,181

EQUITY AND LIABILITIES

EUR thousand	Note	2025	2024
EQUITY			
Share capital		100	100
Invested unrestricted equity fund		27,493	27,493
Retained earnings		3,070	6,131
Result for the financial year		11,363	-2,076
Total equity	8.18	42,025	31,648
Appropriations			
Depreciation difference	8.20	2,179	1,376
Appropriations total		2,179	1,376
Provisions			
Other provisions	8.24	342	302
Provisions total		342	302
Long-term liabilities			
Long-term debt			
Loans from financial institutions	8.23	15,378	17,000
Total long-term liabilities		15,378	17,000
Short-term debt			
Loans from financial institutions	8.21	2,094	2,000
Received prepayments		4,136	5,110
Trade payables		58,549	68,591
Liabilities to companies of the same group	8.22	1,422	-
Other short-term liabilities	8.21	11,076	10,702
Accrued liabilities	8.21	16,817	19,451
Income tax liabilities	8.21	527	-
Total short-term liabilities		94,621	105,855
LIABILITIES TOTAL		109,999	122,855
EQUITY AND LIABILITIES TOTAL		154,545	156,181

CASH FLOW STATEMENT

EUR thousand	2025	2024
Cash flow from operating activities		
Result before income taxes	13,947	-2,072
Adjustments		
Depreciations and amortizations	2,543	2,392
Finance income and expense	938	1,254
Other adjustments	-144	1,052
Cash flow before change in working capital	17,283	1,052
Change in working capital		
Increase (-)/decrease (+) in non-current non-interest-bearing receivables	6,639	1,086
Increase (-)/decrease (+) in trade and other receivables	21,108	5,143
Increase (-) /decrease (+) in inventories	-14,174	11,490
Increase (+) /decrease (-) in accounts payable and other current liabilities	-11,849	-6,245
Cash flow before financial items and taxes	19,007	12,525
Interest paid	-705	-1,513
Other finance expenses paid	-743	-337
Interest received	504	421
Income tax paid	-2,057	-41
Cash flow from operating activities	16,006	11,056

EUR thousand	2025	2024
Cash flow from investing activities		
Investments in reserve for invested non-restricted equity capital	-100	-1,200
Purchase of property, plant and equipment	-1,477	-775
Sales proceeds from tangible assets	-1,300	-992
Cash flow from investing activities	-2,877	-2,966
Cash flow from financing activities		
Withdrawals of long-term loans	-	18,000
Repayments of long-term loans	-	-17,500
Withdrawals of short-term loans	-	8,000
Repayments of short-term loans	-2,000	-10,750
Cash flow from financing activities	-2,000	-2,250
Increase (+) / decrease (-) in cash and cash equivalents	11,129	5,840
Cash and cash equivalents at beginning of financial year	34,439	28,600
Cash and cash equivalents at end of reporting period	45,568	34,439

NOTES TO THE FINANCIAL STATEMENTS 31.12.2025

8.1 Notes on the preparation of the financial statements

Verkkokauppa.com Oyj is the parent company of the group, which is headquartered in Helsinki, Finland.

Verkkokauppa.com Oyj's financial statements have been prepared in accordance with local requirements and those generally accepted in Finland in accordance with accounting principles (Finnish Accounting Standards, FAS). The financial statements are presented in euros.

When preparing the financial statements, the company's management is required, in accordance with applicable regulations and good accounting practice, to make estimates and assumptions that affect the valuation and timing of recognition of items in the financial statements. Realized figures may differ from the estimates made.

Net sales

Net sales is calculated by deducting direct taxes and other sales related adjustments from gross sales. Credit losses are reported in other operational expenses.

The company sells various types of in-store, online and media advertising visibility to suppliers, and some suppliers pay marketing support based on the company's own marketing services agreed upon jointly. The company recognises the related income as revenue, and the corresponding purchases are presented under purchases in the income statement.

Income from customer financing services is included in revenue.

Revenue recognition

Revenue is recognized at the time of product delivery.

Items in foreign currencies

Transactions in currencies other than EUR are translated using the transaction date exchange rate.

At year-end, the outstanding foreign currency receivables and liabilities are translated to EUR using the closing date average exchange rates.

Exchange differences arising from the valuation of trade receivables are recorded as adjustments to sales, and exchange differences arising from the valuation of trade payables are recorded as adjustments to purchases. Exchange differences arising from the valuation of other receivables and liabilities are recorded in financial exchange differences.

Other operating income

Other operating income includes, among other items, gains on disposal of fixed assets and income from subleasing.

Intangible and tangible assets

Intangible and tangible assets are measured at their historical cost, less depreciation according to plan. Planned depreciation is recorded on a straight-line basis over the useful life of an asset. IT-applications produced for the company's own use have been capitalized in other intangible assets and include the direct personnel costs of the development work. These related staff expenses have been reclassified from the profit and loss statement into other intangible assets. The book value of the fixed assets does not contain any appreciations. Maintenance and repair expenses are recognized as expenses in the financial year in which they occur. Significant refurbishment costs for rented apartments are capitalized as tangible assets and depreciated over their useful life.

The carrying value of land and water areas as well as the carrying value of other tangible assets are based on historical costs.

No write-downs have been done on land and water areas.

The company has capitalized development costs in accordance with Section 5:8 of the Accounting Act.

The periods for planned depreciations are as follows:

Intangible rights	5 years
Research and Development	3–5 years
Machinery and Equipment	3–10 years
Upgrades to premises	5–10 years

Accounts receivables

The expected credit losses are deducted from the value of the trade receivables.

The expected credit losses are recognised based on the ageing and the origin of the trade receivable.

All over 90 days past-due trade receivables are recognised entirely as credit losses.

Receivables from companies of the same group

The company has given a loan to a company belonging to the group. The amount of the loan is 1,830,000 euros. The loan and its interest are paid back at once on the repayment date. The loan period was originally one year, but the repayment date has been postponed by updating the loan terms to June 2022, December 2023, December 2024, and December 2025. The current repayment date is 31 December 2027. The interest rate on the loan is 1.50%. The loan is unsecured.

Other receivables

Payment card receivables are presented under other receivables in the balance sheet.

Income taxes

The income taxes include taxes based on the Verkkokauppa.com Oyj's taxable result.

Deferred taxes

Deferred taxes are not booked in the financial statements.

Provisions

The Company recognizes a provision for product warranties it has granted. The provision is estimated based on historical warranty costs and assumptions regarding the failure rate of products sold.

Inventory valuation

Inventories are stated in the balance sheet at their acquisition cost or at the lower acquisition price and probable selling price.

Group contribution

The company has given its subsidiary e-ville.com distribution Oy a group contribution of 1,261,454.00 euros.

Share incentive system

The company has a performance-based share incentive plan for the years 2023–2027. The Rewards paid under the plan are settled by the end of May of the year following the end of each earning period. A portion of the share reward is withheld in cash to cover the taxes and tax-like charges incurred by the participants. In the parent company's financial statements, this portion is measured at the fair value of the shares at the grant date and recognized as personnel expenses upon delivery of the shares. Further details on the plan are provided in the consolidated financial statements under Note 7.12 *Share-based Payments*.

8.2 Revenue

Geographical distribution of revenue

EUR thousand	2025	2024
Finland	487,090	439,987
EU	29,961	25,286
Rest of the world	7,669	1,212
Revenue by external customer location	524,720	466,485

8.3 Other operating income

EUR thousand	2025	2024
Lease income from subleasing right-of-use assets	359	132
Other income	4,141	504
Other operating income, total	4,501	636

On September 4, 2025, Verkkokauppa.com Oyj completed the sale of its consumer finance business to Norion Bank AB and its payment solution unit, Walley. The final price of the transaction was 32.6 million euros. The transaction generated a gain on disposal of 3.2 million euros, which is included in the item Other income.

8.4 Employee benefits

EUR thousand	2025	2024
Salaries and fees	28,321	28,846
Statutory pension costs	5,022	5,165
Other personnel-related costs	860	701
Total personnel costs before activation	34,204	34,712
Capitalized employee benefits for the financial year		
Wages and salaries	-835	-779
Statutory pension costs	-150	-143
Other personal costs	-25	-20
Capitalized employee benefits for the financial year	-1,010	-942
Total personnel expenses	33,193	33,770

The capitalized personnel costs mainly relate to the development of the Company's enterprise resource planning system, which is described in more detail in Note 8.10 *Intangible Assets*, as well as to the logistics automation of the Jätkäsaari warehouse.

	2025	2024
Average number of personnel in the financial year	588	631

The number of personnel includes both full-time and part-time employees. The figure does not include temporary agency workers.

Information on the management's employment benefits is presented in Note *Management remuneration 8.5*.



8.5 Management remuneration

EUR Thousand	CEO	Management team	2025, total	CEO	Management team	2024, total
Short-term employee benefits						
Fixed basic salaries and fringe benefits	424	1,283	1,706	434	1,448	1,882
Incentive bonus	19	86	105	55	90	146
Statutory pension	78	240	317	86	239	325
Share-based payments						
Share-based payments	50	32	82	30	27	56
Total	570	1,640	2,210	605	1,804	2,409
Shareholding, pcs	119,000	98,651	217,651	119,000	44,352	163,352
% of shares	0.26%	0.22%	0.48%	0.26%	0.10%	0.36%

The table above presents the salaries and fees of the CEO and the Executive Management Team, as well as the number of shares held and their ownership as a percentage of the total share capital. The amounts presented are on an accrual basis. Share-based payments are based on the year-end estimate of their expected outcome. The accrual-based share-based payment includes the expense recognised for the financial year regardless of the timing of the share transfer.

Board fees

During the financial year 2025, the company transferred 37,009 (59,374) treasury shares for the payment of the fees.

EUR thousand	2025	2024
Board members 31 Dec 2025		
Arja Talma, Chair of the Board, Chair of the Remuneration Committee	106	88
Samuli Seppälä	44	35
Robin Bade	48	39
Kati Riikonen	50	41
Henrik Pankakoski	48	39
Enel Sintonen, Chair of the Audit Committee	56	38
Irmeli Rytönen	50	32
Former Board members		
Johan Ryding (until 4 April 2024)	-	9
Kai Seikku (until 4 April 2024)	-	9
Remuneration of Board of Directors, total	400	330

Board members' shareholdings on 31.12.

Shareholding, pcs	2025	2024
Arja Talma, Chair of the Board, Chair of the Remuneration Committee	65,391	54,817
Samuli Seppälä	12,519,000	13,347,000
Robin Bade	19,116	13,829
Kati Riikonen	19,116	13,829
Henrik Pankakoski	19,116	13,829
Enel Sintonen, Chair of the Audit Committee	11,946	6,659
Irmeli Rytönen	11,946	6,659
Remuneration of Board of Directors, total	12,665,631	13,456,622
% of shares	2025	2024
Arja Talma, Chair of the Board, Chair of the Remuneration Committee	0.14%	0.12%
Samuli Seppälä	27.60%	29.43%
Robin Bade	0.04%	0.03%
Kati Riikonen	0.04%	0.03%
Henrik Pankakoski	0.04%	0.03%
Enel Sintonen, Chair of the Audit Committee	0.03%	0.01%
Irmeli Rytönen	0.03%	0.01%
Remuneration of Board of Directors, total	27.92%	29.66%

The tables above show board members shareholdings in number of shares and ownership interests.



8.6 Depreciation and amortization

EUR thousand	2025	2024
Intangible assets		
Development costs	374	456
Other intangible assets	1,025	825
Amortization of intangible assets, total	1,398	1,281
Tangible assets		
Machinery and equipment	1,030	999
Other tangible assets	114	112
Depreciation of tangible assets, total	1,144	1,111
Depreciation and amortization, total	2,543	2,392

8.7 Other operating expenses

EUR thousand	2025	2024
Premises maintenance and operation expenses	12,056	12,383
Financial transactions expenses	2,195	1,553
Marketing	7,804	6,900
Administrative services	11,728	10,250
Other expenses	7,436	9,462
Other operating expenses, total	41,219	40,548

Auditor fees

EUR thousand	2025	2024
Statutory audit	158	170
Assignments referred to in § 1.1,2 of the Audit Act		
Rewards for assurance of sustainability reporting	102	13
Other assignments referred to in the aforementioned section of the law	11	10
Fees for other services	11	-
Auditors' fees, total	282	193

The auditing firm chosen by the general meeting is PricewaterhouseCoopers Oy. The non-auditing services performed by PricewaterhouseCoopers Oy totalled 125 thousand euros.

8.8 Finance income and expenses

Finance income

EUR thousand	2025	2024
Interest income	477	394
Interest income from companies of the same group	27	27
Total	504	421

Finance expenses

EUR thousand	2025	2024
Other interest expenses	-27	174
Other finance expenses	712	311
Exchange rate differences on cash and cash equivalents	31	26
Interest on financial institution loans	726	1,165
Total	1,442	1,675

In addition to financial income and costs, exchange rate differences have been recognized as adjustments to purchases for the financial year.

8.9 Income taxes

EUR thousand	2025	2024
Current taxes	2,530	0
Taxes for previous accounting periods	54	3
Income taxes, total	2,584	3

8.10 Intangible assets

EUR thousand	Development costs	Other intangible assets	Advance payments and work in progress	Total
Cost 1 Jan 2025	4,360	5,608	782	10,751
Increases	-	-	1,300	1,300
Transfers between items	823	794	-1,617	-
Cost 31 Dec 2025	5,183	6,403	465	12,051
Accumulated amortization and impairment 1 Jan 2025	-3,855	-2,607	-	-6,462
Amortization for the financial year	-374	-1,025	-	-1,398
Accumulated amortization and impairment 31 Dec 2025	-4,228	-3,632	-	-7,860
Carrying amount 1 Jan 2025	506	3,000	782	4,289
Carrying amount 31 Dec 2025	955	2,771	465	4,191

EUR thousand	Development costs	Other intangible assets	Advance payments and work in progress	Total
Cost 1 Jan 2024	4,165	5,252	343	9,759
Increases	195	147	649	992
Transfers between items	-	209	-209	-
Cost 31 Dec 2024	4,360	5,608	782	10,751
Accumulated amortization and impairment 1 Jan 2024	-3,398	-1,782	-	-5,181
Amortization for the financial year	-456	-825	-	-1,281
Accumulated amortization and impairment 31 Dec 2024	-3,855	-2,607	-	-6,462
Carrying amount 1 Jan 2024	766	3,470	343	4,579
Carrying amount 31 Dec 2024	506	3,000	782	4,289

8.11 Property, plant and equipment

EUR thousand	Land	Machinery and equipment	Other tangible assets	Advance payments and work in progress	Total
Cost 1 Jan 2025	2	13,982	3,169	817	17,971
Increases	-	1,029	19	903	1,951
Disposals	-	-1	-	-	-1
Transfers between items	-	1,690	-	-1,690	-
Cost 31 Dec 2025	2	16,700	3,189	31	19,921
Accumulated depreciation 1 Jan 2025	-	-9,655	-2,852	-	-12,507
Depreciation for the financial year	-	-1,030	-114	-	-1,144
Accumulated depreciation 31 Dec 2025	-	-10,685	-2,966	-	-13,651
Carrying amount 1 Jan 2025	2	4,328	317	817	5,464
Carrying amount 31 Dec 2025	2	6,015	222	31	6,270

EUR thousand	Land	Machinery and equipment	Other tangible assets	Advance payments and work in progress	Total
Cost 1 Jan 2024	2	13,421	3,054	720	17,196
Increases	-	562	38	175	775
Transfers between items	-	-	78	-78	-
Cost 31 Dec 2024	2	13,982	3,169	817	17,971
Accumulated depreciation 1 Jan 2024	-	-8,656	-2,740	-	-11,396
Depreciation for the financial year	-	-999	-112	-	-1,111
Accumulated depreciation 31 Dec 2024	-	-9,655	-2,852	-	-12,507
Carrying amount 1 Jan 2024	2	4,764	314	720	5,800
Carrying amount 31 Dec 2024	2	4,328	317	817	5,464

8.12 Investments

EUR thousand	31.12.2025	31.12.2024
Holdings in group companies		
Acquisition costs 1.1.	6,049	6,249
Increases	100	800
Decreases	-	-1,000
Carrying amount 31 Dec	6,149	6,049

Ownership of shares%	Country		
Arc Distribution Oy	Finland	100%	100%
e-ville.com distribution Oy	Finland	100%	100%
Digi Electronics Ltd	Hong Kong	100%	100%
Digital Trading (shenzhen) Co. Ltd	China	100%	100%

8.13 Trade receivables and other receivables

EUR thousand	2025	2024
Non-current		
Trade receivables	-	6,618
Other non-current receivables	471	492
Non-current receivables, total	471	7,110
Current		
Trade receivables	5,604	30,475
Other receivables	4,735	4,413
Current receivables, total	10,339	34,888
Non-current and current receivables, total	10,810	41,998

8.14 Receivables from companies of the same group

EUR thousand	2025	2024
Group loan receivables, long-term	1,830	1,830
Group accounts receivable	1,222	639
Group accruals	-	7
Group interest receivables	106	78
Receivables from companies of the same group total	3,157	2,555

8.15 Accruals

EUR thousand	2025	2024
Accruals		
Other accruals	748	1,010
Accrued invoices	1,540	1,373
Support for purchases	10,609	7,676
Accruals	12,897	10,058

8.16 Inventory

EUR thousand	2025	2024
Goods	65,502	51,328
Total	65,502	51,328

8.17 Cash and cash equivalents

EUR thousand	2025	2024
Cash in hand and at banks	45,568	34,439
Total	45,568	34,439

8.18 Equity

EUR thousand	2025	2024
Equity 1.1.	100	100
Equity 31.12.	100	100
Invested unrestricted equity fund at the beginning of the period	27,493	28,196
Transfer to retained earnings	-	-704
Invested unrestricted equity fund at the end of the period 31.12.	27,493	27,493
Profit/Loss of the accounting period 1.1.	4,056	5,428
Transfer to retained earnings	-	704
Acquisition of own shares	-986	-
Transfer of own shares	200	-
Share payment	-200	-
The result of the financial year	11,363	-2,076
Profit/Loss of the accounting period 31.12.	14,433	4,056
Equity total	42,025	31,648
Restricted equity at the end of the period	100	100
Unrestricted equity at the end of the period	41,925	31,548
Unrestricted and restricted equity total	42,025	31,648

8.19 Calculation of distributable funds

EUR thousand	2025	2024
Invested unrestricted equity fund	27,493	27,493
Result from Previous years	3,070	6,131
Capitalization of development costs	-955	-1,155
Result of the accounting period	11,363	-2,076
Distributable funds total	40,970	30,393

8.20 Appropriations

EUR thousand	2025	2024
Appropriations 1 Jan	1,376	1,193
Increases in appropriations	803	183
Appropriations 31 Dec	2,179	1,376

8.21 Other current liabilities and accrued liabilities

EUR thousand	2025	2024
Accrued personnel expenses	7,468	6,749
Other accrued liabilities	5,034	7,965
Items on delivery	3,053	3,625
Accrued purchases	1,374	1,185
Withholding tax liability	736	708
VAT liability	10,228	9,922
Income tax liability	527	0
Other current liabilities and accrued liabilities, total	28,420	30,153

8.22 Liabilities to companies of the same group

EUR thousand	2025	2024
Group accounts payable	160	-
Group accrued liabilities	1,261	-
Liabilities to companies of the same group	1,422	-

8.23 Long-term debt capital

EUR thousand	2025	2024
Loans from financial institutions	15,378	17,000
Long-term debt capital	15,378	17,000

8.24 Provisions

EUR thousand	2025	2024
Provisions 1 Jan	302	1,008
Increases in provisions	39	-
Decreases in provisions	-	-705
Provisions 31 Dec	342	302

8.25 Guarantees and commitments

EUR thousand	2025	2024
Collateral given for own commitments		
Mortgages	-	27,001
Guarantees	1,218	1,345
Other commitments and contingent liabilities		
Leasing liabilities	311	25
Rent liabilities	27,810	39,340
Guarantees and commitments	29,339	67,711
Credit limit agreements		
The total amount of the credit limit	25,000	25,000
Credit limit in use	0	0
Other limits		
The total amount of the issued limit	6,000	6,000
Limit in use	1,218	1,630

The total amount of the granted credit limit is EUR 31 million, of which the amount shown above was in use at the end of the financial period.

Secured loans include covenant conditions. The agreed special conditions are related to the group's solvency and liquidity and are determined based on the net debt/EBITDA ratio and the net debt ratio. Violation of covenants can increase financing costs or lead to the termination of loans. The covenant conditions have been met and are being monitored. The covenant terms of financial institution loans are explained in more detail in note 7.22.2 of the consolidated financial statements.

SIGNATURES FOR THE FINANCIAL STATEMENTS AND THE BOARD OF DIRECTORS' REPORT

The financial statement prepared in compliance with the applicable financial statement regulations give a true and fair view of the assets, liabilities, financial position, and profit or loss of the company and the group formed by the entities included in its consolidated financial statements.

The Report by the Board of Directors presents a fair review of the development and performance of, on the one hand, the company, and on the other hand, the companies included in its consolidated

financial statements, as well as a description of the significant risks and uncertainties and the company's position.

The sustainability statement included in the Report by the Board of Directors has been prepared in compliance with the sustainability reporting standards referred to in chapter 7, section 2, paragraph 8 of the Finnish Accounting Act, as well as Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council (Taxonomy Regulation).

Helsinki 12th March 2026

Arja Talma
Chair of the Board

Panu Porkka
CEO

Robin Bade
Board member

Samuli Seppälä
Board member

Henrik Pankakoski
Board member

Enel Sintonen
Board member

Irmeli Rytönen
Board member

Kati Riikonen
Board member

AUDITOR'S REPORT

(Translation of the Finnish Original)

To the Annual General Meeting of Verkkokauppa.com Oyj

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report to the Audit Committee.

What we have audited

We have audited the financial statements of Verkkokauppa.com Oyj (business identity code 1456344-5) for the year ended 31 December 2025. The financial statements comprise:

- the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, which include material accounting policy information and other explanatory information
- the parent company's balance sheet, income statement, cash flow statement and notes.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

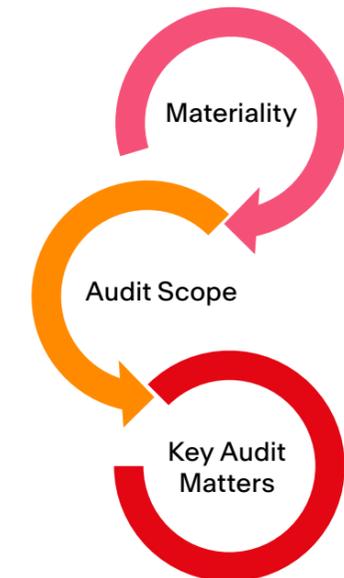
We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 7.8 to the *Financial Statements*.

Our Audit Approach

Overview

- Overall group materiality: € 5,260,000, which represents 1% of groups revenue.
- Audit scope: The audit scope includes Verkkokauppa.com Oyj.
- Valuation of inventories



As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

Overall group materiality €5,260,000 (previous year €4,670,000)

How we determined it 1% of group's revenue

Rationale for the materiality benchmark applied

We chose revenue as the benchmark because, in our view, it is the benchmark against which the performance of the group is most commonly measured by users, and is a generally accepted benchmark. We chose 1% which is within the range of acceptable quantitative materiality thresholds in auditing standards.

How we tailored our group audit scope

We tailored the scope of our audit, taking into account the structure of the Verkkokauppa.com Group, the accounting processes and controls, and the industry in which the group operates.

Our audit covers Verkkokauppa.com Oyj. Verkkokauppa.com Oyj has four subsidiaries which are not material to consolidated financial statements and we have performed analytical procedures on their balances.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matter in the audit

How our audit addressed the key audit matter

Valuation of inventories

Refer to note 7.18 of the consolidated financial statements and to note 8.1 and 8.16 of the parent company's financial statements

Inventories form a significant part of the Group's assets, amounting to € 64.9 million, and Parent company's assets, amounting to € 65.5 million, as of 31 December 2025.

Group's inventories are measured at the lower of cost and net realizable value. The Group's inventory cost contains direct costs of purchase less rebates.

Parent company's inventories are measured at acquisition cost or probable replacement cost or at net realisable value if lower. The Parent company's inventory cost contains direct costs of purchase.

The cost of inventory is assigned by using the FIFO (first-in, first-out) method.

The goods inventory turnover and possible reduction in the probable replacement cost or net realizable value below cost is assessed regularly and a write-down of inventories is recognized when necessary. In addition, the Company recognizes a write-down of aged products, based on days in stock.

Inventories are a significant item in the consolidated financial statements and parent company's financial statements. Management exercises judgement and applies assumptions when estimating the need for an obsolescence provision. Given these factors, we have considered valuation of inventories to be a key audit matter.

Our audit procedures included test of controls and test of details procedures related to valuation of inventories.

Our test of details included e.g. the following procedures:

- We assessed the adequacy of the obsolescence provision and checked adherence to the Company's accounting policy.
- We compared, on a sample basis, the value of inventory items against purchase invoices and sales invoices to ensure that inventory items are measured at the lower of cost, probable replacement cost or net realizable value.
- For a sample of warehouses, we attended the physical stock-take counting and reconciled third party confirmations with the accounting records.

There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities

or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Appointment

We were first appointed as auditors by the annual general meeting on 15 March 2016. Our appointment represents a total period of uninterrupted engagement of 10 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors but does not include the financial statements and our

auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 12 March 2026

PricewaterhouseCoopers Oy
Authorised Public Accountants

Mikko Nieminen
Authorised Public Accountant (KHT)

ASSURANCE REPORT ON THE SUSTAINABILITY REPORT

(Translation of the Finnish Original)

To the Annual General Meeting of Verkkokauppa.com Oyj

We have performed a limited assurance engagement on the group sustainability report of Verkkokauppa.com Oyj (business identity code 1456344-5) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the reporting period 1.1–31.12.2025.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability report does not comply, in all material respects, with

- 1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS), and
- 2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Verkkokauppa.com Oyj has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment).

Our opinion does not cover the tagging of the group sustainability report with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that requirement in the absence of requirements for the tagging of sustainability information in the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the group sustainability report as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Our responsibilities under this standard are further described in the Responsibilities of the Authorised Group Sustainability Auditor section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Authorised Group Sustainability Auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorised group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorised sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Verkkokauppa.com Oyj are responsible for:

- the group sustainability report and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified,
- the compliance of the group sustainability report with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, and for
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability report that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Report

In reporting forward-looking information in accordance with ESRS, management of the Company is required to prepare the forward-looking information on the basis of assumptions that have been disclosed in the sustainability report about events that may occur in the future and possible future actions by the Group. Actual out-comes are likely to be different since anticipated events frequently do not occur as expected.

Responsibilities of the Authorised Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability report.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability report, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited

assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for example the following:

- We interviewed the the individuals responsible for collecting and reporting the information contained in the group sustainability report at the group level to gain an understanding of the sustainability reporting process and the related internal controls and information systems.
- We familiarised ourselves with the background documentation and records prepared by the company where applicable, and assessed whether they support the information contained in the group sustainability report.
- We assessed the company's double materiality assessment process in relation to the requirements of the ESRS standards, as well as whether the information provided about the assessment process complies with the ESRS standards.
- We assessed whether the sustainability information contained in the group sustainability report complies with the ESRS standards.
- Regarding the EU taxonomy information, we gained an understanding of the process by which the company has identified the group's taxonomy-eligible and taxonomy-aligned economic activities, and we assessed the compliance of the information provided with the regulations.

Helsinki 12 March 2026

PricewaterhouseCoopers Oy
Authorised Sustainability Auditors

Mikko Nieminen
Authorised Sustainability Auditor

VERKKOKAUPPA.COM

is an e-commerce pioneer that stands passionately on the customer's side. Verkkokauppa.com accelerates the transition of commerce to online with Finland's fastest deliveries and ultimate convenience. The company leads the way by offering one-hour deliveries to approximately 2 million customers, a winning assortment and probably always cheaper prices. Every day, the company strives to find more streamlined ways to surpass its customers' expectations and to create a new norm for buying and owning.

Verkkokauppa.com was founded in 1992 and has been online since day one. The company's revenue in 2025 was EUR 526.5 million and it employs around 600 people. Verkkokauppa.com's shares are listed on the Nasdaq Helsinki stock exchange.

 [linkedin.com/company/verkkokauppa.com](https://www.linkedin.com/company/verkkokauppa.com)

 [facebook.com/verkkokauppacom/](https://www.facebook.com/verkkokauppacom/)