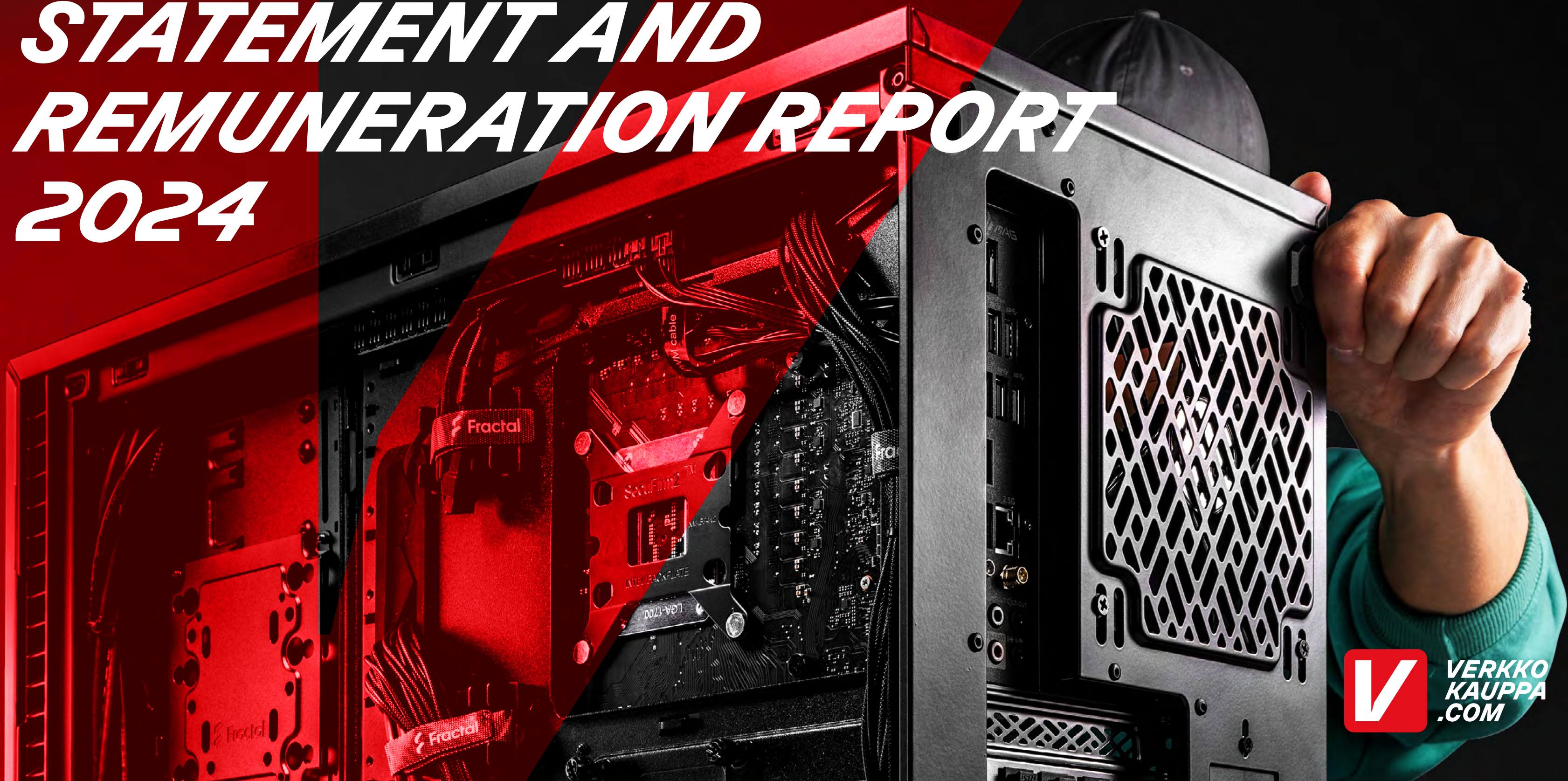
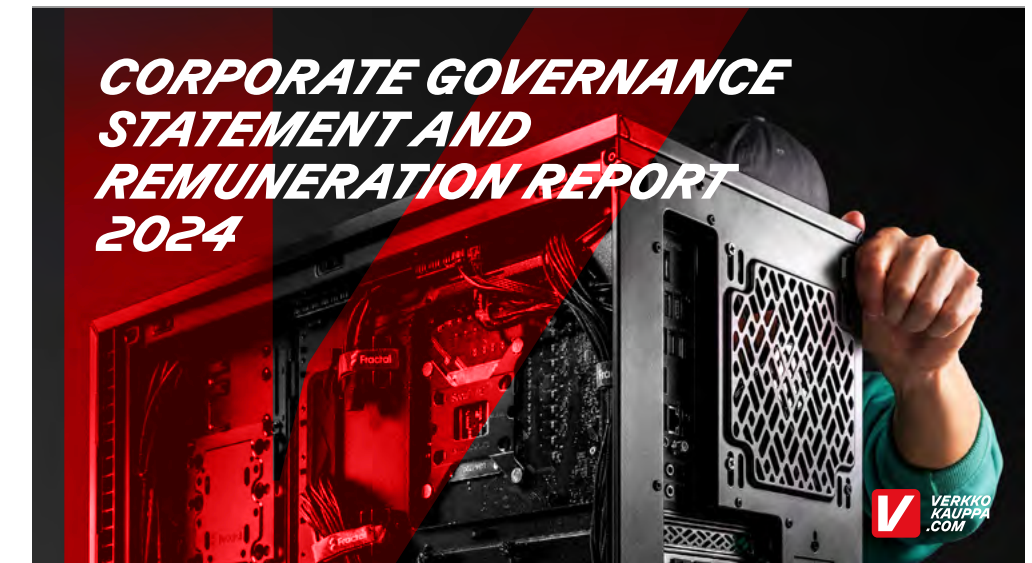


CORPORATE GOVERNANCE STATEMENT AND REMUNERATION REPORT 2024



VERKKO
KAUPPA
.COM

VERKKOKAUPPA.COM'S ANNUAL REPORTING 2024



Verkkokauppa.com has published its annual reporting package for 2024. 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.

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AND REMUNERATION REPORT 2024**

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CORPORATE GOVERNANCE STATEMENT 2024

Verkkokauppa.com Oyj ("Verkkokauppa.com" or the "Company") follows the Corporate Governance Code 2025 (CG Code) issued by the Securities Market Association and complies with all recommendations of the CG Code. The Board and the Audit Committee of the Board have reviewed this Report.

Verkkokauppa.com adheres to the corporate governance principles and complies in all its activities with the relevant laws and regulations and implements the corporate governance recommendations. In addition to the CG Code, Verkkokauppa.com's governance is subject to, among other things, the Company's Articles of Association, the Finnish Companies Act, Accounting Act, securities markets legislation, and other regulations and provisions related to the governance of publicly listed companies, and the rules and guidelines of the Financial Supervisory Authority and Nasdaq Helsinki. Furthermore, Verkkokauppa.com's operations are guided by the Company's values, its Code of Conduct, and its policies and internal operating guidelines.

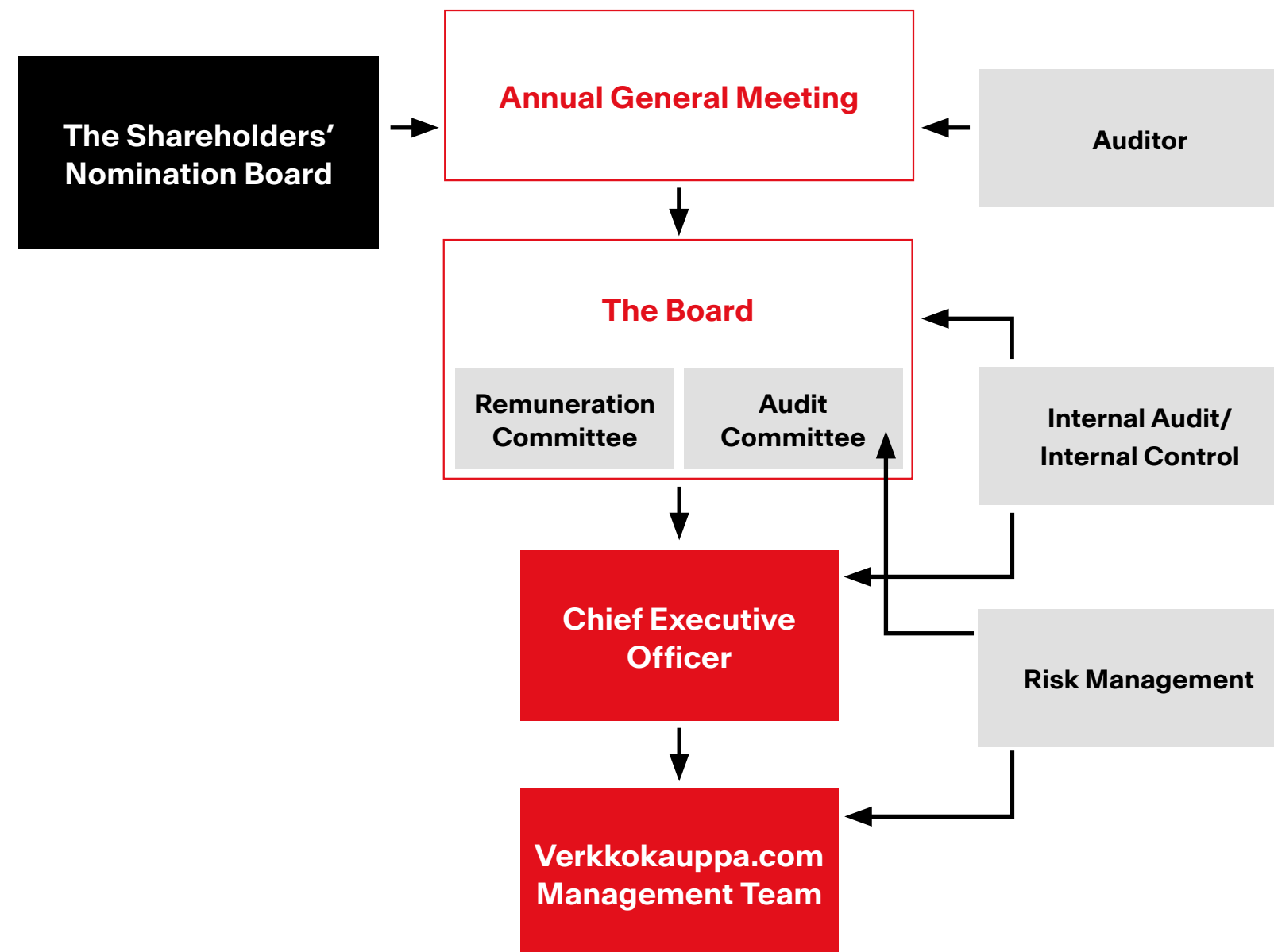
Verkkokauppa.com's Corporate Governance Statement for the financial period 2024 (CG Statement) has been prepared in accordance with the CG Code's corporate governance reporting section. If Verkkokauppa.com deviates from one of the recommendations in the CG Code, it will explain and justify the deviation. The CG Code is publicly available at www.cgfinland.fi.

Verkkokauppa.com presents the CG Statement as a separate report, distinct from the report of the Board. The CG Statement is available on the Company's website at https://investors.verkkokauppa.com/en/corporate_governance. Other parts of the Company's annual reporting package are also available on the Company's website.

Verkkokauppa.com's governance structure

The Company's governance is organized through the Annual General Meeting, the Shareholders' Nomination Board, the Board, and the CEO. In addition, the Company has a Management Team led by the CEO. The Company has one reporting segment.

Governance of Verkkokauppa.com



Annual General Meeting

The highest decision-making power in Verkkokauppa.com is exercised by the Company's shareholders at the General Meeting, where they can speak, ask questions and vote. The Annual General Meeting is held by the end of June each year and deals with the matters specified in the Articles of Association, and the matters proposed to it.

Key matters subject to the decision-making power of an Annual General Meeting include:

- The adoption of the financial statements;
- The decision on the use of profit, such as dividends;
- The decisions on the number, election, and remuneration of members of the Board;
- The discharging the members of the Board and the CEO from liability;
- The election of the Auditor and the sustainability reporting assurance provider, and the decision on their remuneration; and
- Other proposals made by the Board or a shareholder, such as:
 - Amendments to the Articles of Association; and
 - Special authorizations given to the Board (e.g. the authorization to decide on the payment of an additional dividend, on a share issue or on the repurchase of the Company's own shares)

Annual General Meeting in 2024

The Annual General Meeting was held without a meeting venue via remote connection as a so called remote meeting in accordance with Finnish Companies Act, on 4 April 2024. A total of 40 shareholders, representing approximately 65.1% of the Company's shares, were represented at the Annual General Meeting.

The Annual General Meeting approved the 2023 financial statements, made an advisory resolution on the Remuneration Report and granted discharge to the members of the Board and the CEO for the financial year 2023. The Annual General Meeting resolved that the Company deviates from its dividend distribution policy and that no dividend be distributed from the profit of the 2023 financial year.

In accordance with the proposal of the Shareholders' Nomination Board, the number of Board members was set at seven. The following members of the Board were re-elected: **Arja Talma** (Chair), **Robin Bade**, **Henrik Pankakoski**, **Kati Riikonen** and **Samuli Seppälä**. **Irmeli Rytönen** and **Enel Sintonen** were elected as new members of the Board.

PricewaterhouseCoopers Oy, the authorized public accountants, was elected as the Company's Auditor, and **Mikko Nieminen**, Authorized Public Accountant, acts as the principal auditor.

The Annual General Meeting approved Board authorizations to decide on the repurchase of own shares and on a share issue.

Verkkokauppa.com published a stock exchange release on the decisions of the Annual General Meeting and the Board's organizational meeting on 4 April 2024. The stock exchange release is available on the Company's investor [website](#).

Shareholders' Nomination Board

The Company's Annual General Meeting held on 31 March 2020 decided to establish a Shareholders' Nomination Board (the "*Nomination Board*") consisting of the Company's largest shareholders, or persons nominated by them, to prepare annually and otherwise, if necessary, proposals regarding the composition of the Board and the election and remuneration of its members. The Nomination Board functions, and its charter remain in force, until the Annual General Meeting decides otherwise.

The Nomination Board consists of three members which are the Company's three largest shareholders or their representatives. The right to nominate members is determined based on the shareholding on the last working day of May, preceding the Annual General Meeting. The Chair of the Board is an expert member of the Nomination Board and has no voting right.

Further information on the Nomination Board and its full rules of procedure are available on the Company's investor [website](#).

Composition of the Shareholders' Nomination Board

On 13 August 2024, the three largest shareholders of Verkkokauppa.com, as of 31 May 2024, appointed the representatives of the Nomination Board as follows:

Shareholder	Ownership as of 31 May 2024	A representative on the Nomination Board	Position on the Nomination Board	Presence during 2024–2025
Samuli Seppälä, Verkkokauppa.com's founder and principal owner	29.4%	Samuli Seppälä	Member	4/4
Varma Mutual Pension Insurance Company	9.6%	Erkka Korhonen, Senior Portfolio Manager	Chair	4/4
Ilmarinen Mutual Pension Insurance Company	4.8%	Karoliina Lindroos, Head of Responsible Investment	Member	4/4

The Nomination Board also includes Arja Talma, Chair of the Board of Verkkokauppa.com, as an expert member.

The Board

The Board supervises the management of the Company and its operations. It also decides on important issues relating to strategy, investment, model of action, and financing.

The Board of Directors has two Committees that report to the Board: the Audit Committee and the Remuneration Committee. The Board elects the members of the Committees from among its members at the organizational meeting of the Board held after the Annual General Meeting. The Board of Directors has established written charters for both committees.

Composition and term

According to the Articles of Association, the Board consists of at least four (4) and no more than eight (8) members. The members of the Board are elected at the Annual General Meeting and their term of office expires at the end of the Annual General Meeting following their election.

The Articles of Association do not impose any restrictions on the number of terms of office of Board members, nor do they in any way limit the discretion of the Annual General Meeting in the election of Board members. However, the Annual General Meeting may take into account the recommendations of the CG Code governing the composition of the

Board, in particular independence requirements and other requirements applicable to companies listed on a regulated market in Finland. The Board elects one (1) of its members as the Chair and may also elect a Vice Chair.

Duties of the Board

The duties of the Board are defined in the Companies Act and other applicable legislation. The Board is responsible for the Company's administration. Its tasks include:

- Deliberating and deciding on the Company's strategy;
- Verifying the business plan and budget, as well as financing transactions (as far as not falling under the responsibility of the shareholders);
- Deliberating on and approving interim reports and/or interim management statements, the annual accounts and reports of the Board;
- Verifying internal controls, risk management systems and reporting procedures;
- Deciding on possible bonus and incentive schemes for management and possible general or special pension schemes,

profit sharing schemes, or bonus schemes for employees of the Company;

- Deciding on any contracts which, given the scope and nature of the Company's activities, are of unusual nature or significant importance, such as long-term lease contracts;
- Monitoring related party transactions; and
- Appointing or dismissing the CEO. The CEO appoints other employees who are members of the Company's Management Team. Appointments are approved by the Company's Board.

Duties of the Board Committees

The Board of Verkkokauppa.com has established two Committees: the Audit Committee and the Remuneration Committee.

The Audit Committee is responsible for preparing the Board's monitoring and control tasks in relation to the Company's financial and sustainability reporting, the effectiveness of internal controls and audit and risk management systems, and the independence of the Auditor. According to the charter of the Audit Committee, the majority of the Committee members shall be independent of the Company and its significant

shareholders. The criteria for the qualification of members of the Committee have been taken into account.

The Remuneration Committee is responsible for preparing the Company's Remuneration Policy and Remuneration Report to be presented to the Annual General Meeting, and to ensure effective preparation of remuneration matters with respect to the election of the Board, the CEO and other senior management. According to the charter of the Remuneration Committee, the majority of the Committee members shall be independent of the Company and its significant shareholders.

Decision-making and meeting practice

The Chair convenes the Board. The Board of Directors has a quorum when at least half of its members are present at the meeting.

The Board is always obliged to act in the Company's interests, and in such a way that its actions or measures are not likely to produce unjustified benefit to any shareholder or other third party at the cost of the Company or another shareholder.

The Board meets as often as necessary to fulfill its responsibilities. The CEO ensures that the Board has access to sufficient information to assess the Company's operations and financial situation. The Company's Head of Legal acts as Secretary to the Board. The Board reviews its own operations annually, and after each longer meeting the Board organizes a short feedback session.

Independence of the Board

According to the CG Code, the majority of the Board members must be independent of the Company. At least two members of the Board who are independent of the Company must also be independent of the Company's significant shareholders.

The Board assesses the independence of its members. The members of the Board confirm the information necessary to assess their independence annually and undertake to inform the Company, without delay, of any changes that may occur during the year of activity.

Principles concerning the diversity of the Board

The Company has defined the principles concerning the diversity of the Board in accordance with recommendation nine of the CG Code.

It is in the interests of the Company and its shareholders that the members of the Board have broad expertise in different fields and areas of business. The Board's diversity supports the Company's business and development, open debate, and independent decision-making.

The Shareholders' Nomination Board shall consider the Company's strategy, the requirements of the Company's operations and its stage of development, as well as the necessary diversity of the Board, when preparing the proposal for the composition of the Board. The key factors for the Company are educational and professional background, strong, diverse and complementary skills, experience and knowledge of the business areas of importance to the Company, and age and gender balance.

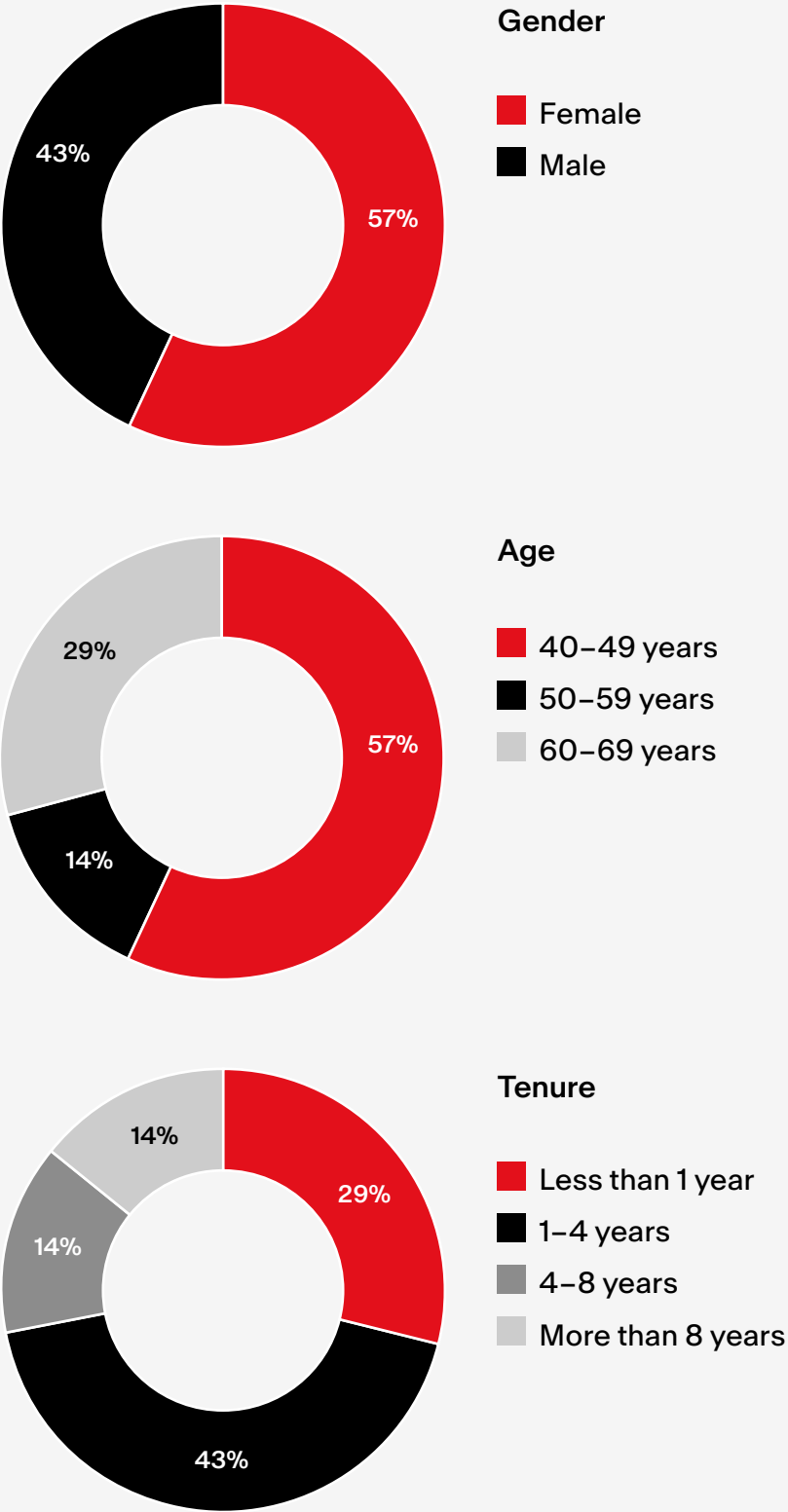
The Company's Shareholders' Nomination Board prepares a proposal for the number and composition of the Board. The Shareholders' Nomination Board's proposal to the Annual General Meeting for the composition of the Board is based on the qualifications of each candidate, and the Company seeks to select Board members whose experience and profile match the Company's current and future business needs. The members of the Board are elected annually at the Annual General Meeting.

The Company's objective is to have both genders represented on the Board of Directors and to achieve a more balanced gender distribution in the long term on the Board of Directors. In order to achieve this goal, the process of seeking and evaluating new Board members is linked to candidates from both genders and the goal is actively communicated to shareholders.

Board diversity in 2024

The Board members had the necessary skills, experience and know-how of Verkkokauppa.com's most important business, social and market conditions, taking into account the Company's current and future needs. Strong industry expertise, listed company experience, development and implementation skills for growth strategy, and knowledge of the economy were found among the members of the Board. In 2024, four members of the Board were female (ca. 57 percent) and three were male (ca. 43 percent). One member of the Board was an Estonian citizen and six were Finnish citizens. Six Board members reside in Finland and one abroad.

Board Diversity (31 December 2024)



The Board of Directors and its Committees in 2024

On 4 April 2024, the Annual General Meeting elected the following seven members to the Board for a term of office ending at the close of the next Annual General Meeting: Robin Bade, Henrik Pankakoski, Kati Riikonen, Irmeli Rytönen, Samuli Seppälä, Enel Sintonen and Arja Talma. At the organizational meeting of the Board following the Annual General Meeting, Arja Talma was elected the Chair of the Board. The composition of the Board Committees was decided as follows; Arja Talma (Chair), Robin Bade, and Henrik Pankakoski were elected as members of the Remuneration Committee, and Enel Sintonen (Chair), Arja Talma (Vice Chair), Kati Riikonen and Irmeli Rytönen were elected as members of the Audit Committee.

The Board has assessed Robin Bade, Henrik Pankakoski, Kati Riikonen, Irmeli Rytönen and Arja Talma to be independent of the Company and its significant shareholders. Samuli Seppälä is not independent of the Company or its significant shareholders. Seppälä has been a member of the Company’s Board continuously for over 20 years and has served as the Company’s long-term CEO. In addition, Seppälä is the founder of the Company and himself a significant shareholder with a 29.4 percent shareholding. Enel Sintonen has been employed by the Company’s auditor until 30 September 2022 and is therefore not independent of the Company in accordance with recommendation 10(e) of the CG Code. However, Sintonen has not personally participated in the Company’s audit assignment or otherwise advised the Company.

Number of Board and Committee meetings, and attendance of members at meetings 2024

Name	Position	Board	Audit Committee	Remuneration Committee
Arja Talma	Chair, Chair of the Remuneration Committee, Vice Chair of the Audit Committee	18/18	5/5	4/4
Robin Bade	Member, Member of the Remuneration Committee	17/18	-	4/4
Henrik Pankakoski	Member, Member of the Remuneration Committee	18/18	1/1	3/3
Kati Riikonen	Member, Member of the Audit Committee	18/18	5/5	-
Johan Ryding (Board member until 4 April 2024)	Member, Member of the Remuneration Committee	4/4	-	1/1
Irmeli Rytönen (Board member as of 4 April 2024)	Member, Member of the Audit Committee	13/14	4/4	-
Kai Seikku (Board member until 4 April 2024)	Member, Chair of the Audit Committee, member of the Remuneration Committee	4/4	1/1	1/1
Samuli Seppälä	Member	17/18	-	-
Enel Sintonen (Board member as of 4 April 2024)	Member, Chair of the Audit Committee	14/14	4/4	-

In 2024, the Board of Directors convened 18 times (2023: 20 times), of which 5 times per capsulam. The average attendance rate was 98% (2023: 99%). In 2024, in addition to its normal responsibilities within the scope of its charter, the Board closely followed the roll-out and execution of the Company’s new strategy, approved the Company’s double materiality assessment required by the Corporate Sustainability Reporting Directive (CSRD), approved the Company’s Sustainability Program 2024–2028, and committed to the Science Based Targets initiative (SBTi).



Members of the Board of Verkkokauppa.com as of 31 December 2024

Samuli Seppälä

Enel Sintonen

Robin Bade

Arja Talma

Kati Riikonen

Henrik Pankakoski

Irmeli Rytönen



Members of the Board of Verkkokauppa.com as of 31 December 2024

Arja Talma

Board Chair (since 2021), Chair of the Remuneration Committee, Vice Chair of the Audit Committee, expert member of the Nomination Board, Board member since 2018

Born in 1962, Finnish citizen

Gender: Female

Education: M.Sc. (Econ), eMBA

Main occupation: Board professional

Positions of trust

Board member, Nordea Bank Abp, 2022–

Board member, Glaston Oyj 2021–

Board member, Metso Oyj, 2016–

Work experience

Senior Vice President, Store Sites and Investments, Kesko Corporation 2013–2015

President, Rautakesko Oy 2011–2013

Senior Vice President, CFO, Kesko Corporation 2005–2011

Vice President, Corporate Controller, Kesko Corporation 2004–2005

Executive Vice President, Oy Radiolinja Ab 2001–2003

Partner, APA, Auditor, KPMG Wideri Oy Ab, 1987–2001

Shareholding in Verkkokauppa.com as of 31 December 2024: 54,817

Independent of the Company and its significant shareholders

Robin Bade

Member of the Remuneration Committee, Board member since 2023

Born in 1979, Finnish citizen

Gender: Male

Education: BBA, studies in economics

Main occupation: CEO and founder, eBrands

Positions of trust

Board member, eBrands Holdings Oy 2020–

Board member, Tulos Group 2020–

Board member, Liwlig Group Oy 2018–

Work experience

CEO Europe, Mirum Agency (WPP Plc), 2012-2019

CEO and Founder, Activeark Oy, 2003-2012

Shareholding in Verkkokauppa.com as of 31 December 2024: 13,829

Independent of the Company and its significant shareholders

Henrik Pankakoski

Member of the Remuneration Committee, Board member since 2023

Born in 1984, Finnish citizen

Gender: Male

Education: M.Sc. (Econ)

Main occupation: Regional General Manager Northern Europe, Wolt

Work experience

General Manager Finland, Wolt, 2017-2022

Several roles in management consulting, The Boston Consulting Group 2008-2017

Shareholding in Verkkokauppa.com as of 31 December 2024: 13,829

Independent of the Company and its significant shareholders

Kati Riikonen

Member of the Audit Committee, Board member since 2023

Born in 1971, Finnish citizen

Gender: Female

Education: M.Sc. (Econ)

Main occupation: Independent consultant and advisor

Positions of trust

Board member, Oma Säästöpankki Oyj 2024–

Board member, Kamux Oyj 2024–

Work experience

Vice President, Online, Marketing and Analytics, Telia Finland Oyj, 2020–2025

Business Director, Google Finland Oy, 2017–2020

CEO, Isobar Finland Oy, 2015–2017

Marketing Director and Online Director, DNA Oy, 2011–2015

Entrepreneur, KRI Marketing Tmi, 2006–2011

Marketing Director, Motorola Inc, 2003–2006

Shareholding in Verkkokauppa.com as of 31 December 2024: 13,829

Independent of the Company and its significant shareholders

Irmeli Rytönen

Member of the Audit Committee,
Board member since 2024

Born in 1959, Finnish citizen
Gender: Female
Education: LLM
Main occupation: Board professional

Positions of trust

Board Chair, University Pharmacy, 2019–
Board Chair, Nurminen Logistics Oyj, 2021–
Board Chair, Novita Oy, 2024–
Board member, The Moominworld Ltd, 2019–

Work experience

Director, Elkjøp Nordic AS, 2018–2019
CEO, Gigantti Oy Ab, 1999–2018
Consultant, Elkjøp ASA, 1997–1998
CEO, Finnish Mixed Electricals Association, 1989–
1996

Shareholding in Verkkokauppa.com as of
31 December 2024: 6,659

Independent of the Company and its significant
shareholders

Samuli Seppälä

Board member since 1998

Born in 1975, Finnish citizen
Gender: Male
Education: High School Graduate
Main occupation: Entrepreneur

Positions of trust

Board member, F. Sergejeff’s Beer Factory
Corporation, 2014–

Work experience

Founder, CEO, Verkkokauppa.com Oyj, 1992–2018

Shareholding in Verkkokauppa.com as of 31
December 2024: 13,347,000

Not independent of the Company or its
significant shareholders

Enel Sintonen

Chair of the Audit Committee,
Board member since 2024

Born in 1977, Estonian citizen.
Gender: Female
Education: M.Sc. (Econ)
Main occupation: Director of Finance,
Eltel Networks Oy

Work experience

Partner and Principal Auditor of a number of listed
companies, PricewaterhouseCoopers Oy, 2016–
2022
Various leadership positions and Authorized Public
Accountant (2011), PricewaterhouseCoopers Oy,
2006–2016
Internal auditor, Kesko Corporation, 2003–2006
Senior Associate, PricewaterhouseCoopers AS
(Estonia), 2000–2003

Shareholding in Verkkokauppa.com as of
31 December 2024: 6,659

Not independent of the Company;
Independent of its significant shareholders

Chief Executive Officer

The Board elects the CEO and decides on the remuneration, and the other terms of the CEO's contract. The CEO is responsible for the management and development of the Company in accordance with the instructions and regulations issued by the Board and implements the Board's decisions. The CEO is responsible for the day-to-day management of the Company in accordance with the instructions and orders issued by the Board. The CEO also ensures that the Company's accounts are legal and that the Company's financial and treasury management is reliably organized. The CEO reports to the Board on the Company's financial condition, business environment, and other important matters. The CEO also acts as Chair of the Group's Management Team.

The CEO primarily presents the issues on the agenda to the Board and drafts the Board's proposals for decisions.

Verkkokauppa.com Oyj's CEO is **Panu Porkka**. The CEO, and his related parties, do not have essential business relationships with the Company. Personal details of the CEO and ownership information can be found in *Management Team* section below.

Management Team

The Management Team is a body composed of the Company's executive management, the activities of which are not regulated by law. The Management Team is responsible for the day-to-day management of the Company.

The members of the Management Team deal with matters relating to the management of the Company in their respective areas, in accordance with the instructions given by the Board. The Management Team assists the CEO in the management of the Company. The members of the Management Team prepare matters to be submitted to the Board for

decision, such as the Company's strategy, budget and policies, as well as major acquisitions, investments, and divestments. In addition, the Management Team will address issues related to reporting, internal and external communication, personnel development, recruitment and the working conditions of employees, and investor relations.

Verkkokauppa.com's Management Team consists of the CEO **Panu Porkka**, **Jesper Blomster** (CFO), **Nina Anttila** (Chief Supply Chain Officer), **Satu Berlin** (Chief HR Officer), **Tatu Kaleva** (Chief Commercial Officer), **Pekka Litmanen** (Chief Experience Officer), **Jyrki Tulokas** (Chief Strategy and Technology officer), and **Suvituuli Tuukkanen** (Chief Marketing, Communications and Sustainability Officer).

The Management Team is chaired by the CEO, who appoints the Secretary to the Management Team.

Management Team members during 2024

Name	Position	Time period (if not full year)	Born	Education	Gender	Ownership of Verkkokauppa.com shares as of 31 December 2024
Panu Porkka	Chief Executive Officer		1977	Business studies	Male	119,000
Jesper Blomster	CFO	As of 7 May 2024	1986	M.Sc. (Econ.)	Male	-
Nina Anttila	Chief Supply Chain Officer		1971	M.Sc. Econ., M. Eng. of Logistics and Supply Chain Management	Female	10,000
Satu Berlin	Chief HR Officer	As of 1 March 2024	1980	Doctor of Science (Econ.)	Female	1,800
Tatu Kaleva	Chief Commercial Officer		1979	Master of Business Administration	Male	5,000
Pekka Litmanen	Chief Experience Officer (CXO)		1980	BBA, MBA	Male	10,002
Jyrki Tulokas	Chief Strategy and Technology officer		1975	M.Sc. (Econ.)	Male	12,550
Suvituuli Tuukkanen	Chief Marketing, Communications and Sustainability Officer		1974	M.Sc. (Econ.)	Female	5,000
Mikko Forsell	CFO	Until 6 May 2024	1974	M.Sc. (Econ), M.Sc. Engineering	Male	61,000

CEO and members of the Management Team as of 31 December 2024

Jyrki Tulokas

Satu Berlin

Pekka Litmanen

Jesper Blomster

Panu Porkka

Tatu Kaleva

Suvituuli Tuukkanen

Nina Anttila



CEO and members of the Management Team as of 31 December 2024

Panu Porkka

CEO

Born in 1977, Finnish citizen
Gender: Male
Business Studies
Member of the Management Team since 2018

Jesper Blomster

CFO

Born in 1986, Finnish citizen
Gender: Male
M.Sc. (Econ.)
Member of the Management Team since 2024

Nina Anttila

Chief Supply Chain Officer

Born in 1971, Finnish citizen
Gender: Female
M.Sc. (Econ.), M. (Eng. of Logistics and
Supply Chain Management)
Member of the management team since 2022

Satu Berlin

Chief HR Officer

Born 1980, Finnish citizen
Gender: Female
Doctor of Science (Econ.)
Member of the management team since 2024

Tatu Kaleva

Chief Commercial Officer

Born in 1979, Finnish citizen
Gender: Male
Master of Business Administration
Member of the management team since 2023

Pekka Litmanen

Chief Experience Officer

Born in 1980, Finnish citizen
Gender: Male
BBA, MBA
Member of the Management Team since 2021

Jyrki Tulokas

Chief Strategy and Technology Officer

Born in 1975, Finnish citizen
Gender: Male
M.Sc (Econ)
Member of the Management Team since 2021

Suvituuli Tuukkanen

Chief Marketing, Communications and
Sustainability Officer

Born 1974, Finnish citizen
Gender: Female
M.Sc. (Econ.)
Member of the management team since 2022

Internal control, risk management and internal audit

Internal control

Internal control policies are aligned with the risk management process. The aim of risk management is to support the Company's strategy and the achievement of its objectives by anticipating and responding to potential business threats and opportunities. Internal control and risk management related to financial reporting seek sufficient certainty regarding the reliability of financial reporting and ensure that the financial statements have been prepared in accordance with the applicable laws and regulations, accounting principles (IFRS), and other requirements imposed on listed companies. The components of internal control are control environment (COSO), risk assessment, supervisory functions, communication, and monitoring. The Board and the CEO have overall responsibility for the organization of the Company's internal control and risk management systems.

Overview of risk management

The Company's Board has approved a risk management approach for the Company based on the ISO 31000 standard. The purpose of the Company's risk management is according to the risk management model:

- To increase risk awareness and proactive risk management within the Company
- To increase the competitiveness of the Company by reducing negative risks and increasing positive risks
- To ensure a sufficient level of risk management throughout the Company's organization
- To manage risks as part of business activities and define responsibilities of risk management in the Company

Risk management is managed operationally by the risk manager. Risk management has its own steering group, whose purpose is to review the status of risk management on a quarterly basis and to guide the work of the Company. Risk management functions as a means of control and monitoring within the Company, as one of the components of internal control.

In accordance with the risk management model, risks at Company level and risks at each department level are assessed. In addition, risk

assessments are targeted at different objects based on compliance or risk criteria.

The Risk Management Policy is supported by internal risk management principles and guidelines for the implementation of risk management. The risk management model guides risk management in accordance with the annual clock and is based on the continuous improvement model.

The identified risks are reported to different stakeholders according to pre-defined criteria. An annual plan is created for the following year based on the annual risk report and development feedback.

The Board's Audit Committee regularly monitors and assesses the implementation of the Company's risk management system. The Company's operational management is responsible for the practical actions of risk management within the framework of the Risk Management Policy and principles.

Main features of the internal control and risk management systems pertaining to the financial reporting process

Financial reporting is carried out by Verkkokauppa.com's CFO and finance department. The reporting is based on information provided by commercial and administrative processes and financial management systems. The financial reporting process is monitored by the Company's financial department, including different guidelines, process descriptions, reconciliations, and analyses, to ensure the accuracy of the information used in reporting.

The results of financial reporting are monitored, and deviations from forecasts and from the previous year are analyzed on a regular basis. The analyses are used to identify possible errors in reporting and to provide materially correct information about the Company's finances. The Company's finance department is responsible for the efficiency and completeness of internal control. The internal audit is responsible for evaluating financial reporting processes. Risks related to financial reporting are assessed in accordance with the Company's risk management principles. The deficiencies identified in the internal audit and risk assessment are addressed according to the risk classification.

Internal audit

The internal audit will enhance the performance of the supervisory responsibilities of Verkkokauppa.com's Board. The objective of the

internal audit is to contribute to ensuring that the Company operates efficiently and effectively, that information is up to date and reliable, and that policies and practices are followed.

Internal audits help the Company to achieve its objectives by assessing and examining its activities and monitoring compliance with guidelines.

The Company's internal audit has been outsourced to an external service provider. The internal audit function provides recommendations for the development of systems and processes in its audit reports. The Board's Audit Committee approves the annual internal audit plan, which selects audit targets in accordance with the Company's strategic objectives, the assessed risks, the priorities defined by the Board and the Company's executive management, and the rotation principle. The internal audit function reports to the Board's Audit Committee. In addition, the CEO, the Management Team, and the management of the audited entity are informed of the results of the audit.

Audit

The main task of the statutory audit is to ensure that the financial statements provide correct, accurate and adequate information on the Company's activities and financial situation during the financial year. The Auditor reports to the Board of Directors at least once a year, and quarterly to the Board's Audit Committee. The remuneration of the Auditor is disclosed to Verkkokauppa.com's shareholders.

According to the Articles of Association, the Auditor must be an audit firm approved by the National Board of Patents and Registration. The Annual General Meeting elects an Auditor whose term of office expires at the end of the Annual General Meeting following the election.

The Annual General Meeting held on 4 April 2024 re-elected the authorized public accountants PricewaterhouseCoopers Oy as the Company's auditor. PricewaterhouseCoopers Oy appointed Mikko Nieminen, Authorized Public Accountant, to act as the principal auditor. PricewaterhouseCoopers Oy also acts as the sustainability reporting assurance provider of the Company.

The Auditor's audit fees in 2024 were approximately EUR 206,000 (approximately EUR 216,000 in 2023). In 2024, the Auditor was paid approximately EUR 27,000 for non-audit services (in 2023 approximately EUR 39,000).

Principles concerning related party transactions

The Company's Board has adopted a policy on related party transactions and keeps a list of parties related to the Company. According to the Company's policy on related party transactions, the Board's Audit Committee is responsible for monitoring and supervising the Company's related party transactions. The Audit Committee monitors and assesses how contracts and other legal actions between the Company and its related parties meet the requirements of normal business and market conditions. The Audit Committee processes related party transactions as part of the financial statements monitoring process. The Audit Committee reports regularly to the Board.

Under the Company's policy on related party transactions, a member of the Company's Management Team has a responsibility to investigate, assess, and determine in advance whether a transaction within the scope of that member's responsibility is a potential related party transaction. Given the Company's business model in retail, the nature of its daily activities, and the use of general terms, related party activities are mainly concerned with the purchase of services or potentially significant one-off offers or tender processes. According to the Company's assessment, related party transactions that are not part of normal business activities, or are carried out on a non-market basis, are both relatively rare and limited in scope.

If a member of the Company's Management Team or other relevant person identifies, or has reason to believe, that a transaction would be entered into with a related party, that person must notify the Secretary to the Board and the Company's financial administration. The Secretary to the Board assesses the nature of the business together with the financial management, i.e. whether the transaction was made as part of the Company's normal business and on market terms, the materiality of the transaction, and whether the transaction requires a decision by the Board of Directors. The Audit Committee prepares such related party transactions for decision by the Board.

Insider administration

Coordination and control of insider issues

Verkkokauppa.com complies with the EU Market Abuse Regulation ("MAR"), the Finnish Securities Markets Act, the decisions, regulations, guidelines and standards issued by the Finnish Ministry of Finance and the Financial Supervisory Authority, as well as Nasdaq Helsinki Ltd's rules and Guidelines for Insiders. The Insider Policy approved by Verkkokauppa.com's Board complements other insider regulations and defines the procedures for insiders and insider management. Verkkokauppa.com's Insider Policy is regularly updated, and compliance is continuously monitored. Verkkokauppa.com's Head of Legal is responsible for insider administration.

Management transactions

The Company's Board has, in accordance with the MAR, determined that members of the Board, the CEO and other members of the Management Team (collectively "Directors") and their closely associated persons have the duty to notify the Company and the Financial Supervisory Authority of transactions made by them or on their behalf on the Company's financial instruments. Verkkokauppa.com maintains a list of the Directors and their closely associated persons.

In accordance with the Company's insider guidelines, the Directors and their related parties must report their transactions in the Company's financial instruments to the Company within two days, and to the Financial Supervisory Authority within three days of the transaction. The Company is obliged to report transactions with stock exchange releases within two days of receipt of the notification. The Directors must inform their related parties in writing of the existence of such a duty.

Closed period

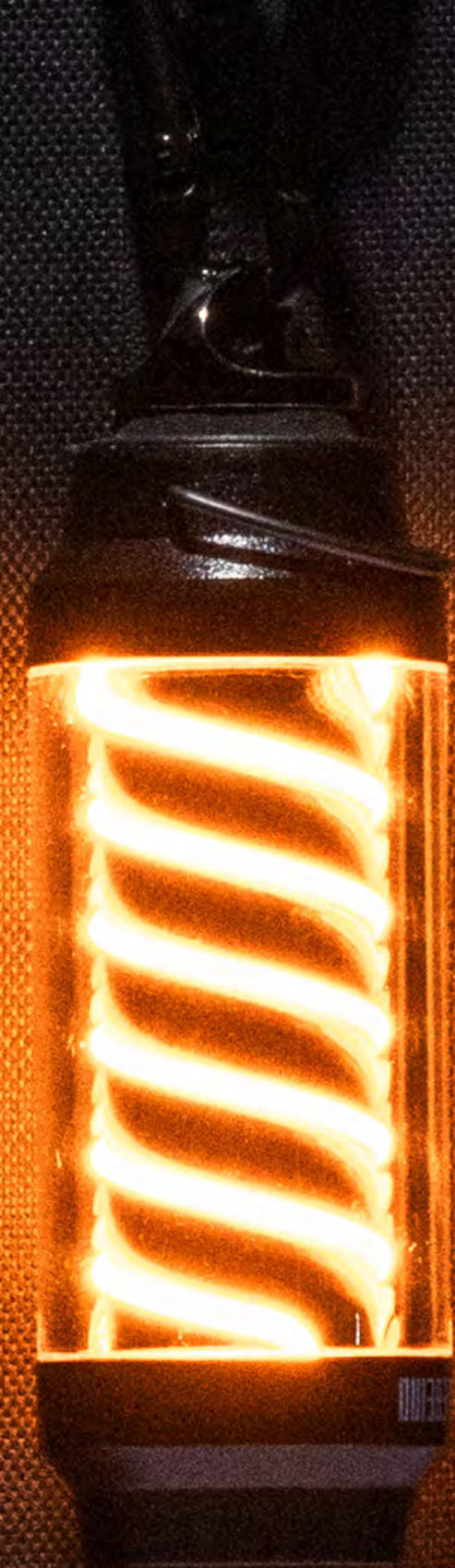
The closed period under the MAR, during which transactions in the Company's financial instruments are prohibited, is 30 calendar days before the publication of the issuer's interim or annual financial statements and applies to the Directors as well as other employees who participate in the preparation of financial reports or otherwise have

regular access to the Company's unpublished financial information. The Company applies the closed period after the end of each quarter of the calendar year until the day following the publication of the interim report or financial statements release. However, the closed period must always include at least 30 calendar days preceding the publication of the interim report or financial statements release and the date of publication thereof (30+1). In certain specific cases, the issuer may allow transactions in a closed period on a case-by-case basis.

Shareholders' agreements

The Company is not aware of any shareholders' agreements regarding the shares of the Company.

REMUNERATION REPORT 2024



**VERKKO
KAUPPA
.COM**

Verkkokauppa.com Oyj Remuneration Report 2024

This Remuneration Report sets out how Verkkokauppa.com Oyj ("Verkkokauppa.com" or the "Company") has implemented its Remuneration Policy in the financial year 2024. The Remuneration Report provides information concerning the remuneration of the Company's Board of Directors and CEO during 2024. The Remuneration Report has been prepared in accordance with the requirements of the Second Shareholders' Rights Directive (EU 2017/828). In Finland, the requirements of the directive have mainly been implemented in the Limited Liability Companies Act (624/2006, as amended), the Securities Markets Act (746/2012, as amended), the Decree of the Ministry of Finance (608/2019) and the Finnish Corporate Governance Code 2025.

The Board's Remuneration committee has prepared the Remuneration Report for review by the Board, and the Board has approved it for submission to the General Meeting. The shareholders will make an advisory decision on the approval of the Remuneration Report at the Annual General Meeting 2025.

Introduction

Overview of remuneration in the financial year 2024

The remuneration of Verkkokauppa.com's governing bodies is based on the Company's Remuneration Policy that was presented for an advisory decision at the Annual General Meeting held on 25 March 2021. In 2024, the Company's remuneration decision-making process as defined in the Remuneration Policy has been followed in the decision-making related to Verkkokauppa.com's remuneration. The Board has not applied the possibility to deviate from the remuneration policy temporarily during 2024 and the Board has not identified a need to apply any clawback provisions to variable remuneration paid.

In 2024, the remuneration applied supported the Company's long-term financial success and shareholder value creation in accordance with the effective remuneration policy. The CEO's overall earning opportunity has been set as competitive, and the performance-based short-term and long-term incentive plans have emphasized the importance of operative and financial performance as well as shareholder value creation in the CEO's remuneration. In addition, the long-term incentive plan has promoted the alignment of the CEO's and shareholders' interests.

In 2024, Verkkokauppa.com had long-term and short-term incentive plans in place for the CEO. In the Performance Matching Share Plan, the reward is based on the Company's total shareholder return (TSR), including dividends. The first (2023–2025) and second performance periods (2024–2026) were in effect from the Performance Matching Share Plan in 2024. The Performance Matching Share Plan is based on the participants' own investment in the Verkkokauppa.com share and on matching shares earnable against the own investment. The features of long-term incentive plans are described in more detail in the section "CEO Remuneration" on page [21](#).

The focus of the short-term incentive in 2024 was on increasing sales and improving profitability. The CEO's earnings criteria were 45% focused on sales growth, 45% on profitability improvement and 10% on sustainability. The Company fell short of the threshold levels in terms of increased sales and improved profitability set by the Board of Directors. The Company achieved the target set by the Board of Directors regarding sustainability. As a result, the CEO earned a remuneration equivalent to approximately 10 percent of the maximum remuneration corresponding to his six (6) months' fixed salary. The reward will be paid in 2025. For more information, see the section "CEO Remuneration in 2024" on page [21](#).

Development of financial performance in Verkkokauppa.com 2020–2024

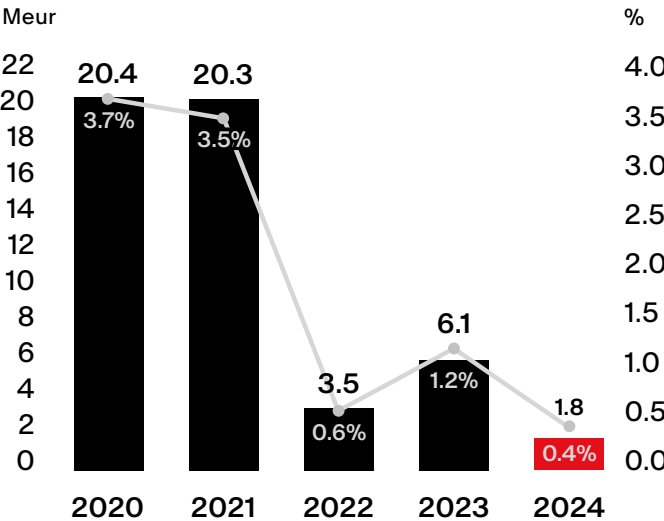
Share price development 2020–2024

Dividends per share 2020–2024 0,91€ in total

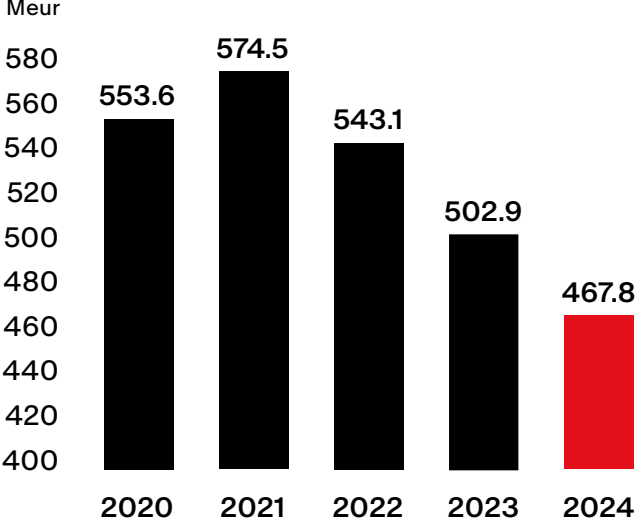


Verkkokauppa.com's share price graph does not reflect the dividends paid.

Comparable operating profit



Revenue



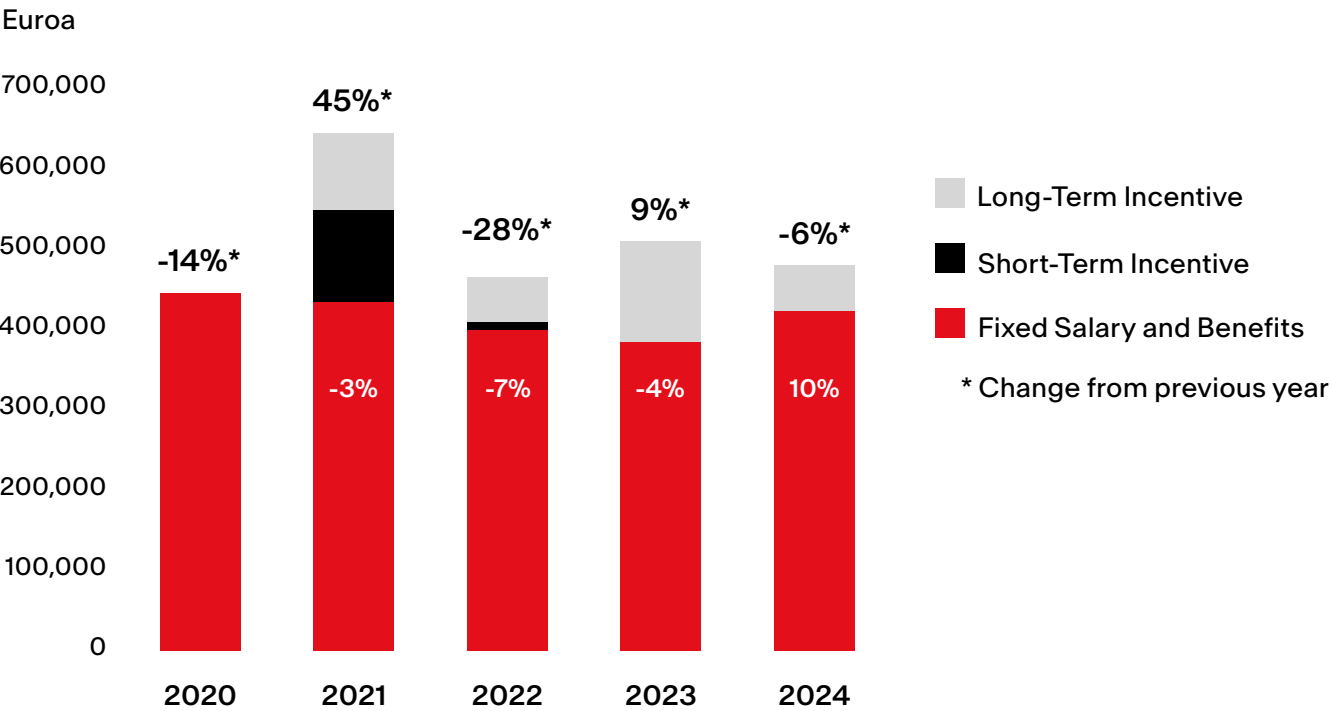
Development of remuneration in 2020–2024

Remuneration paid to the CEO, EUR

	2020	2021	2022	2023	2024
Fixed base salary + fringe benefits	454,068	441,544	409,167	393,957	433,762
Short-term incentive	0	120,000	10,224	0	55,296*
Long-term incentive		96,910	55,660	124,073	0
Total remuneration	454,068	658,454	475,051	518,030	489,058
Development					
Fixed base salary + benefits	8%	-3%	-7%	-4%	10%
Total remuneration	-14%	45%	-28%	9%	-6%

*For the CEO, the figures refer to bonuses paid during the financial year 2024, part of which may have been earned during the previous year or years.

Remuneration paid to the CEO by elements



Board annual fees

	2020	2021	2022	2023	2024
Chair (annual fee), eur	70,000	70,000	70,000	70,000	70,000
Development from previous year	0%	0%	0%	0%	0%
Vice chair (position 2021–2023)		55,000	55,000	-	-
Development from previous year			0%	-	-
Member, eur	35,000	35,000	35,000	35,000	35,000
Development from previous year	0%	0%	0%	0%	0%
Chair of the Audit Committee (annual fee), eur	12,000	12,000	12,000	12,000	12,000
Development from previous year	0%	0%	0%	0%	0%
Vice chair of the audit committee (annual fee), eur	10,000	10,000	10,000	10,000	10,000
Development from previous year	0%	0%	0%	0%	0%
Member of the Audit Committee (annual fee), eur	6,000	6,000	6,000	6,000	6,000
Development from previous year	0%	0%	0%	0%	0%
Chair of the Remuneration Committee (annual fee), eur	8,000	8,000	8,000	8,000	8,000
Development from previous year	0%	0%	0%	0%	0%
Member of the Remuneration Committee (annual fee), eur	4,000	4,000	4,000	4,000	4,000
Development from previous year	0%	0%	0%	0%	0%

Average employee remuneration

	2020	2021	2022	2023	2024
Average salary per employee, eur	39,529	37,885	41,345	44,102	46,197**
Average annual salary development	5.3%	-0.9%	7.6%	10.1%	5.9%

** The figures for employees are accrued figures from the financial statements, which means that some salaries (e.g. bonuses) have been earned but not paid during 2024. Average employee remuneration is calculated based on the average number of employees as part of the salaries recorded in the income statement. Commercial sector’s collective agreement is applied to e.g. employees working in stores and logistics operations.

Board remuneration in 2024

Remuneration paid to Verkkokauppa.com Board members during 1 January 2024 – 31 December 2024

(Remuneration paid during 1 January 2023 – 31 December 2023 in brackets)

Member	Committee membership	Board annual fee in Total EUR	Portion of annual fee paid in shares (number of shares)	Committee fee EUR	Other fees EUR	Total EUR
Arja Talma, Chair	Chair of Remuneration Committee Vice Chair of Audit Committee	70,000 (70,000)	54,817 (14,073)	18,000 (18,000)	-	88,000 (88,000)
Robin Bade	Member of Remuneration Committee	35,000 (26,250)	13,829 (5,347)	4,000 (4,000)	-	39,000 (30,250)
Henrik Pankakoski	Member of Remuneration Committee	35,000 (26,250)	13,829 (5,347)	4,000 (6,000)	-	39,000 (32,250)
Kati Riikonen	Member of Audit Committee	35,000 (26,250)	13,829 (5,347)	6,000 (6,000)	-	41,000 (32,250)
Johan Ryding (member until 4.4.2024)	Member of Remuneration Committee	8,768 (35,000)	1,927 (6,379)	0 (4,000)	-	8,768 (39,000)
Irmeli Rytönen (since 4.4.2024)	Member of Audit Committee	26,250 (0)	6,659 (0)	6,000 (0)	-	32,250 (0)
Kai Seikku (member until 4.4.2024)	Chair of Audit Committee Member of Remuneration Committee	8,750 (35,000)	1,927 (6,379)	0 (16,000)	-	8,750 (51,000)
Samuli Seppälä		35,000 (35,000)	0 (0)	-	-	35,000 (35,000)
Enel Sintonen (since 4.4.2024)	Chair of Audit Committee	26,250 (0)	6,659 (0)	12,000 (0)	-	38,250 (0)

In accordance with the decision of the Annual General Meeting held on 4 April 2024, the remuneration payable to Verkkokauppa.com Board members is the following:

- Chair, annual fee, EUR 70,000
- Member, annual fee, EUR 35,000

Half of the annual fees of the Board members have been paid in the company’s shares after each quarterly release and the remaining part of the annual fee is paid in cash, which is used to cover taxes arising from the fees. The shares delivered as remuneration to the Board members are not subject to any ownership or transfer restrictions.

Annual fees for the members of the Board Committees for the term ending at the close of the Annual General Meeting 2025 are the following:

- Chair of Audit Committee, 12,000 euros
- Vice Chair of Audit Committee, 10,000 euros
- Each member of Audit Committee, 6,000 euros
- Chair of Remuneration Committee, 8,000 euros
- Each member of Remuneration Committee, 4,000 euros

Committee fees are paid in cash. In addition, reasonable accrued travel and lodging expenses as well as other potential costs related to Board and Committee work are compensated.

CEO remuneration in 2024

Application of performance criteria and payable rewards

In 2024, the CEO of Verkkokauppa.com had a performance-based short-term incentive and a long-term Performance Matching Share Plan 2023–2027 launched on 10 May 2023 in place. The aim of the short-term incentive is to guide towards achieving short-term financial and operative targets and to award for the achievements in accordance with the Company’s business strategy. The aim of the long-term incentive plan is to award for the achievement of strategic and financial targets and for the long-term shareholder value creation, to align the interests of the CEO and the Company’s shareholders as well as to accumulate the CEO’s ownership in the Company in accordance with the share ownership guidance.

The earning criteria for the short-term incentive plan for 2024 were 45% based on sales growth, 45% profitability improvement and 10% sustainability. The maximum CEO remuneration under the short-term incentive plan in the financial year 2024 was equivalent to six months’ fixed salary. The company fell short of the threshold levels set by the Board of Directors in terms of sales growth and comparable operating profit improvement. The company achieved the sustainability targets set by the Board of Directors for the financial year 2024. As a whole, the company achieved the targets set by the Board of Directors by 10 per cent, which resulted in a bonus realisation of EUR 19,200 from the short-term incentive for 2024. The reward will be paid in 2025.

Share-Based incentive plans in place in 2024

During 2024, the Performance Matching Share Plan 2023–2027 launched by the Board on 10 May 2023 was in place.

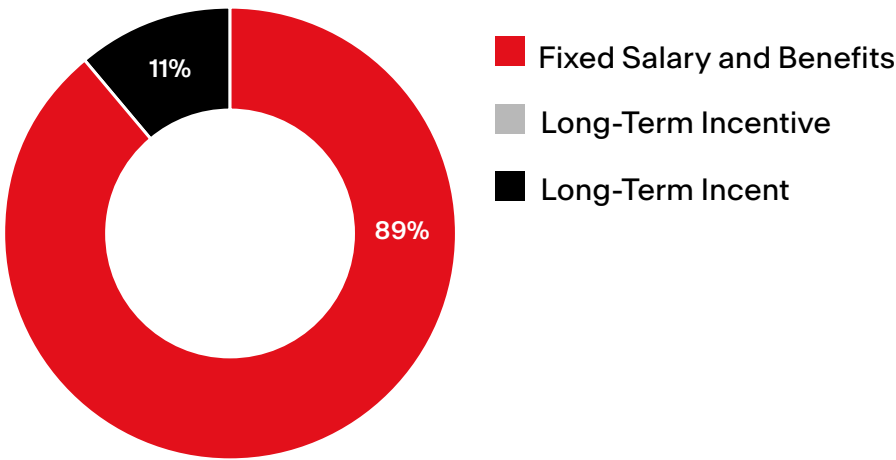
In the Performance Matching Share Plan 2023–2027, the prerequisite for participating and receiving reward is that a person participating in the plan allocates freely transferable Company’s shares they own to the plan or acquires the Company’s shares up to the number confirmed by the Board. In addition, the reward payment is based on the participant’s valid employment or service at the time of the reward payment. The rewards are paid partly in the Company’s shares and partly in cash. The cash portion is intended to cover taxes and tax-related costs arising from the reward to the participant. No reward will be paid, if the participant’s employment or service terminates before the reward payment, unless deemed to be a so-called good leaver.

In the Performance Matching Share Plan 2023–2027, the CEO has a possibility to earn 1-4 matching shares for each share allocated to the plan up to a certain number of shares after a three-year matching period. The first (2023–2025) and second performance periods (2024–2026) were in effect from the Performance Share Plan in 2024. The number of earnable matching shares is based on the Company’s total shareholder return (TSR) in 2023-2025 and 2024-2026.

Remuneration paid to the CEO in 2024

Fixed base salary + fringe benefits	Short-term incentive	Long-term incentive	Total remuneration paid 2024
EUR 433,762	EUR 55,296	EUR 0	EUR 489,058

Structure of remuneration paid to the CEO in 2024



Overview of Share-Based incentive plans in place for the CEO in 2024

Plan	Board decision on the plan	Share price on the decision date	Performance criteria	Maximum reward as a number of gross shares	Reward outcome, % of maximum level	Reward earned, as a number of gross shares	Reward payment date	Net shares paid	Share price on the payment date
Performance Matching Share Plan 2023-2027, performance period 2023-2025	10 May 2023	EUR 2.501	Personal investment, continuing share ownership and TSR	64,000	To be confirmed in spring 2026	To be confirmed in spring 2026	Confirmed in spring 2026	Confirmed in spring 2026	Confirmed in spring 2026
Performance Matching Share Plan 2023-2027, performance period 2024-2026	13 Feb 2024	EUR 2.350	Personal investment, continuing share ownership and TS	80,000	To be confirmed in spring 2026	To be confirmed in spring 2026	Confirmed in spring 2027	Confirmed in spring 2027	Confirmed in spring 2027



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 more than 1.7 million customers, a winning assortment and probably always cheaper prices.

Everyday, the company strives to find more streamlined ways to surpass its customer's 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 2024 was EUR 468 million and it employs around 600 people.

Verkkokauppa.com is listed on the Nasdaq Helsinki stock exchange.



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