

Stockmann Group

Whistleblowing Policy

1. Introduction

Stockmann strives to achieve and maintain an open business climate and high business ethics. The whistleblowing scheme is a tool for safeguarding high standards of corporate governance and maintaining customer and public confidence in our business.

The purpose of this policy is to describe how employees can report concerns regarding actions that are not in line with the company Code of Conduct or other corporate policies, and that may harm individuals, the company or the environment, and to ensure the appropriate handling of investigations into reported concerns.

We encourage whistleblowers to submit reports in their own name. All whistleblowing reports and discussions will be handled confidentially at all times. However, if the whistleblower prefers to be anonymous, there is an anonymous reporting channel, which is provided by an external partner, the Whistleblowing Centre. The Whistleblowing Centre ensures anonymity and secure handling of whistleblower reports.

2. When to 'blow the whistle'?

All employees are entitled to report concerns regarding violation of the company Code of Conduct or other corporate policies. A potential whistleblower does not need to have firm evidence of violations before reporting a concern. However, a whistleblower must be sincere and reports must be submitted honestly and in good faith.

No allegations should be made maliciously or with the knowledge that they are false. Abuse of the system by deliberately reporting false or malicious information, is a serious offence and may result in disciplinary action, including dismissal.

For issues relating to dissatisfaction at the work place, employees should contact their supervisor or the HR department.

3. How to report concerns?

If an employee becomes aware of an issue or behaviour that is not in line with the company Code of Conduct or other corporate policies, the following methods of reporting are available:

- **Alternative 1: Employee can report the matter to his/her supervisor or the local security manager**

An employee with a concern about the company should primarily try to contact his or her supervisor or the local security manager.

- **Alternative 2: Employee can report the matter to the company management or to Stockmann Group's Internal Audit**

If the employee so prefers, or if the concern relates to the employee's supervisor or the local security manager, a report can, alternatively, be made to the company management or to Stockmann Group's Internal Audit.

- **Alternative 3: Employee can report the matter through the web-based external whistleblowing reporting channel administrated by the Whistleblowing Centre, either in his/her own name or anonymously**

We encourage whistleblowers to make a report through the external whistleblowing reporting channel in their own name. If an employee wishes to make an anonymous report, this is also possible through the whistleblowing channel. The whistleblowing channel is administrated by the Whistleblowing Centre, an external and impartial partner that safeguards anonymous handling of whistleblowing reports.

The identity of the whistleblower will not be requested at any stage of the process. All information, reports and follow-up questions are encrypted. The recipients of the report, as well as the whistleblower, will receive personal keys to access the encrypted report.

4. The investigation process

Investigation and responsibilities

All reports of concerns will be treated seriously and according to this policy.

All whistleblowing cases will be handled confidentially. Investigations will be administered by Stockmann Group's Internal Audit, and may, if necessary and in strict confidence, include such other people, whose expertise and information are considered necessary for the proper investigation of the matter. Access to reports and information relating to an investigation is restricted to the individuals carrying out the investigation and information may be communicated further only on a strict need-to-know basis and only for the purpose of carrying out the investigation.

The following principles are applied to all reports of concerns:

- All whistleblowing reports are handled confidentially.
- A report will not be investigated by someone who may be involved or connected with the concern.
- Follow-up questions will, when needed, be submitted via the anonymous reporting channel. This anonymous dialogue is enabled by the external service provider, the Whistleblowing Centre, in order to protect the anonymity of the whistleblower.
- No one taking part in the investigation process will attempt to identify the whistleblower by any means.

Whistleblower protection

A whistleblower expressing a genuine concern under this policy will not be at risk of losing his/her job or suffering any form of sanctions or personal disadvantages as a result. It does not matter if the whistleblower is mistaken, provided he/she was acting in good faith.

The whistleblower's identity will be kept confidential at all stages of the process and, in particular, will not be disclosed to the person specified in the report or his or her line manager, or any other third parties.

In cases of alleged criminal offences, the whistleblower will be informed that his/her identity may need to be disclosed during judicial proceedings.

Protection of, and information to, a person named in a whistleblower report

The rights of the individuals affected by reports under this whistleblowing scheme are subject to the relevant data protection laws. Those affected will be entitled to access the data relating to themselves and to require amendments, should the information be incorrect, incomplete or out of date.

These rights are subject to any overriding safeguarding measures required to prevent the destruction of evidence or other obstructions to the processing and investigation of the report.

Reporting of findings

At the end of the investigation, the findings will be reported to the Head of Internal Audit and to the Director of Legal Affairs.

In the event that the Head of Internal Audit or the Director of Legal Affairs, or both, are subject to an investigation or allegation, the CEO, or other person appointed by the company, will receive the report and decide on corrective measures.

Deletion of data

All whistleblowing reports are deleted when no longer needed for investigation and enforcement purposes, and usually within two months (60 days) of completion of the investigation. Documentation from investigations will be anonymised: names and addresses will be removed together with any other information which could directly or, in conjunction with other data, indirectly identify either the whistleblower or the person that is the subject of a report.