

Risk reporting

Q4/2017

CSR

Social

Impact:

1: insignificant 0-300 k€  
 2: small 300-600 k€  
 3: moderate 0.6-1.2m€  
 4: significant 1.2-2.4m€  
 5: critical 2.4-4.2m€  
 6: catastrophic >4.2m€

Likelihood:

1: unimaginable, 0-3%  
 2: unlikely, 4-10%  
 3: rare, 20-49%  
 4: Sometimes, 50-69%  
 5: likely, 70-84%  
 6: frequent, 85-100%

ad-hoc risk

Risk Identification					
Risk-Category	Org	Risk-Owner	No.	Risk-Name	Risk-Description
CSR	EAG	Technical departments	CSR S 3	relevant accidents of customers regarding of technical issue of our products Reputation	Significantly negative impact on the reputation of the company after relevant accidents of customers when using our products
CSR	EAG	Technical departments	CSR S 4	relevant accidents of customers regarding of technical issue of our products "legal"	Prosecution or significant fines for technical problems or process insecurity related to our products
CSR	EAG	Technical departments	CSR S 5	non-compliance with local regulations regarding product safety and labeling	Significantly negative impact on the reputation of the company when cases of non-compliance becomes known
CSR	EAG	all Companies of the Einhell Group local General Manager	CSR S 6	unadäquae reaction to a shitstorm	Significantly negative impact on the reputation of the company

Risk Analysis						
Impact (low)=1	Impact (high)=6	Impact	Likelihood (low)=1	Likelihood (high)=6	Likelihood	Risk
loss insignificant	loss catastrophic	6	unimaginable	frequent	2	12
loss insignificant	loss catastrophic	6	unimaginable	frequent	1	6
loss insignificant	loss catastrophic	2	unimaginable	frequent	1	2
loss insignificant	loss catastrophic	4	unimaginable	frequent	2	8

Risk Management			
Strategy	action/explanation	Risk prev. period	Progress
Avoid	see Risk Assessment and Crisis Management	12	
Avoid	see Risk Assessment and Crisis Management	6	
Avoid	Intensive Prüfung über den Lebenszyklus aller Produkte, selbst und durch unabhängige Externe und akkreditierte Externe, Markteinführung immer erst nach entsprechender Zertifizierung		
Avoid	Regular tracking of all online channels, (socialmedia, website, complaints) immediate reaction to criticism at the factual level		

AFTERCAREFULLY INCLUSION AND EVALUATING OF THE AVAILABLE INFORMATION, THERE ARE NO MAINNETIC RISKS KNOWN. IN RELATION TO THE CSR ASPECT SOCIAL ACCORDING TO THE DEFINITION OF §289C HGB AND CSR REPORT IMPLEMENTATION LAW,