



Kesko AI Policy

Entry into force	1 January 2026
Approval date	18 December 2025
Approved by	Board of Directors of Kesko Corporation
Owner	K IT
Reviewed by	AI Governance Steering Group
Review date	by 1 January 2028
Replacing	-



KESKO AI POLICY

Introduction

This Policy describes objective and key principles of Kesko Group's ("Kesko") Artificial Intelligence (AI) Policy, as well as the responsibilities and organisation.

K Code of Conduct is always followed in addition to this Policy.

Kesko is committed to complying with all applicable laws and regulations. Our policies and procedures are designed to meet the requirements of the AI Act (Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence) and the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data; GDPR). The AI Policy serves as the basis for practices and guidelines for using the AI. These practices and guidelines clarify and specify the principles set out in the policy and guide their practical application.

Use of AI is closely related to data protection, which is subject to Data Protection Policy. Principles and guidelines of Data Protection must be complied with in AI use also. For information security, Kesko's Information Security Policy and its defined objectives are followed. Ethical and sustainable use of AI requires compliance of Kesko's Sustainability Policy and adherence to Risk Management Policy.

This Policy applies to the operations of Kesko Group companies in all Kesko's operating countries. Personnel of Kesko Group must comply with the Policy.

Policy objective

Kesko's AI Policy establishes a comprehensive framework for the responsible, lawful, and ethical use of Artificial Intelligence across all its operations. Supporting documentation will ensure the adaptation and compliance of this Policy. The Policy has been aligned with the AI Act and GDPR. This AI Policy emphasizes risk management, transparency, and human oversight to ensure AI benefits customers, employees, and partners while mitigating risks. The Policy sets out the basic principles for design and implementation of AI use in compliance with this Policy.

The Policy guides all Kesko employees and units in deploying AI systems responsibly, covering all AI types from machine learning to generative AI, throughout their lifecycle,



excluding purely mechanical automation. The Policy covers company systems and company data. Personal AI use outside company systems and without using company data is not in the scope of this Policy.

Key principles

Risk-Based Classification: AI systems are categorised into prohibited (unacceptable risk), high-risk (strict controls), limited-risk (transparency obligations), and minimal-risk (basic good practices) systems, with corresponding governance measures to ensure safety and compliance. Kesko classifications are recorded and documentation is available centrally.

Approvals of AI use: Any AI system planned to be used in Kesko must be reviewed and approved for use by the dedicated AI Governance Steering Group (AIGS). Any plan to use high-risk AI system must include risk mitigation plan and acceptable safeguards before they can be deployed.

AI Roles: Under the AI Act, Kesko is identified as a Provider (i.e. organisation that develops an AI system or has it developed and then puts it on the market or makes it available under their own name or trademark) or a Deployer (organisation that uses an AI system under their authority). Kesko pays attention to its role. As a Provider Kesko complies with comprehensive compliance obligations for AI developed or marketed by Kesko. As a Deployer Kesko ensures safe, transparent use of AI systems procured from others.

Ethical AI Principles: Beyond legal compliance and always complying with K Code of Conduct, Kesko commits to respect of fundamental rights, non-discrimination, fairness and intellectual property rights. Kesko aims to ensure transparency, human control, data privacy, robustness, accountability, inclusivity, environmental responsibility, and quality customer experience in all AI use.

Employee Responsibilities: Employees must follow AI usage guidelines, complete obligatory training, maintain ethical conduct, protect data confidentiality, report issues, and engage with governance processes to prevent unauthorized AI usage.

Integration with Existing Processes: AI governance is embedded within Kesko's broader corporate practices, including procurement, project management and change and incident management, and aligned with standards like ISO 27001.

Implementation Roadmap: Kesko has a phased plan to review AI systems, address compliance gaps, and meet regulatory deadlines, with ongoing monitoring and training to support a smooth transition to full compliance.



1.1.2026

Responsibilities and organisation

The Board of Directors of Kesko Corporation approves this Policy.

The President and CEO of Kesko Corporation has the right to make technical changes to the Policy, such as updates due to legislation.

K CIO is responsible for maintaining this AI policy.

A dedicated **AI Governance Steering Group (AIGS)** oversees policy enforcement and risk classification and approvals of new AI systems proposed to be utilized in Kesko hereunder, and the issuance and maintenance of guidelines issued based to this Policy. AI Governance Steering Group, together with K IT Architecture and based to business needs, oversees vendor management, training, monitoring, and reporting. The AIGS is supported by designated AI system owners, IT and K Legal. The AIGS is responsible for managing compliance with AI regulations, and for developing, training, and monitoring AI use practices. The AIGS in conjunction with Kesko's Internal Audit and K Legal & Sustainability conducts inspections on AI use matters as part of their normal operations. The chair of the AIGS reports to Kesko CFO and CIO.

Business Management: Responsibility for complying with AI regulations and AI Policy lies with the management of business operations and common operations.

Management is responsible for ensuring that the AI governance is clearly organized and that each responsible person knows their role. The management is also responsible for extending control to outsourced services. Kesko's business divisions are responsible for implementing the Policy and for ensuring sufficient resourcing in their operations. Common operations are responsible for Group-level policies, principles and instructions, and for ensuring compliance with group defined AI practices, architectural choices and development models.

Policy Maintenance and Contact Points: The AI Policy is owned by K IT. AI Governance Steering Group reviews the Policy and its compliance annually and reports to the CIO. The AIGS is supported by designated contacts for legal, privacy, security, and audit matters to facilitate questions and compliance. The AI Policy is published in Kesko's web pages.