

**KESKO CORPORATION'S ANNUAL GENERAL MEETING**

MINUTES NO. 1/2015

**Place** Messukeskus Conference Centre, Messuaukio 1, Helsinki, Finland

**Time** 13 April 2015 at 13:00–15:34

**Present** Shareholders and representatives of 1,206 shareholders  
**Appendix 1**

**Board members**

Esa Kiiskinen	Chair
Seppo Paatelainen	Deputy Chair
Ilpo Kokkila	
Tomi Korpisaari	
Maarit Näkyvä	
Toni Pokela	
Virpi Tuunainen	

**Auditors**

Johan Kronberg, APA, the auditor with principal responsibility  
Mikko Nieminen, APA  
Enel Sintonen, APA

Those present also included members of the company's top management and technical staff.

**1. Opening of the meeting**

Board Chair Esa Kiiskinen welcomed those present and opened the meeting. The Board Chair gave a speech, which is attached to the minutes.  
**Appendix 2**

**2. Calling the meeting to order**

Professor Seppo Villa was elected as the Chair of the meeting. The Chair called Senior Vice President Anne Leppälä-Nilsson to act as the secretary of the meeting. The Chair explained the confines of the meeting room, the recording of speeches for ensuring the accuracy of the minutes of the meeting, and other instructions to the participants. The Chair noted that the items would be handled in the order in which they were listed on the agenda distributed to the participants.

### 3. Election of persons to scrutinise the minutes and to supervise the counting of votes

It was resolved to elect Rami Vehmas and Jari Peltonen as scrutinisers of the minutes.

It was resolved to elect Anniina Isomäki and Heimo Välinen to supervise the counting of votes.

### 4. Recording the legality of the meeting

The Chair explained the provisions of the Limited Liability Companies Act and the Articles of Association concerning the convocation of the General Meeting and the availability of documents relating to the meeting.

The Chair noted that the notice of meeting provided in accordance with the Articles of Association had been published on Kesko Corporation's website on 23 February 2015.

#### Appendix 3

The Chair noted that Kesko Corporation's financial statements, the report by the Board of Directors and the auditor's report had been available on the company's website since 20 March 2015.

- **It was noted** that the meeting had been properly convened and that it had a quorum.

### 5. Recording the attendance at the meeting and the list of votes

The Chair explained the provisions of the Limited Liability Companies Act and the Articles of Association concerning shareholders' participation rights. The record date of the General Meeting had been 30 March 2015 and the registration had ended on 8 April 2015 at 16:00. Holders of nominee registered shares wishing to participate in the General Meeting had had to temporarily register in the register of the company's shareholders no later than 8 April 2015 at 10:00.

The Chair noted that the proxies of Nordea Bank Finland Plc, Skandinaviska Enskilda Banken AB (publ) Helsinki Branch, Svenska Handelsbanken AB (publ), Branch Operation in Finland, and Danske Bank A/S Helsinki Branch representing holders of nominee registered shares, had in advance expressed their opinions about certain items on the General Meeting agenda to the company, and at the same time, had advised that they would not demand a vote on the issues whose draft resolutions they had advised that their clients objected, or on which they had advised that they would abstain from voting. They would settle

with an appropriate record in the minutes at the relevant items, provided that the Chair could reliably ascertain that the majority required in each case was in favour of the draft resolution.

**Appendix 4**

The Chair noted that, at the beginning of the meeting, there was an attendance of 1,206 representatives of shareholders according to the list of votes, representing 177,180,868 votes and 39,335,887 shares.

**Appendix 1**

- **It was noted** that the list of votes as at the beginning of the meeting is attached to the minutes of the meeting.

## **6. Review by the President and CEO**

President and CEO Mikko Helander gave a review of Kesko Group's operations. President and CEO Mikko Helander's presentation is attached to these minutes.

**Appendix 5**

## **7. Presentation of the 2014 financial statements, the report of the Board of Directors and the auditors' report**

Kesko Corporation's 2014 financial statements, report by the Board of Directors and the auditors' report were presented.

**Appendix 6**

The Chair noted that the original financial statements documents were available at the meeting.

The Chair opened a discussion on the financial statements.

The Board Chair Esa Kiiskinen, President and CEO Mikko Helander, Senior Vice President Jorma Rauhala, Senior Vice President Matti Mettälä and Senior Vice President Lauri Peltola answered shareholders' questions.

A question from a shareholder is attached to the minutes.

**Appendix 7**

## **8. Adoption of the financial statements**

The Chair noted that the auditor's report recommended the adoption of the financial statements and the consolidated financial statements.

- **It was resolved** to adopt Kesko Corporation's 2014 financial statements and consolidated financial statements.

## 9. Distribution of the profits shown on the balance sheet and resolution on the payment of dividend

The Chair explained the Board's proposal for the distribution of profits and the payment of dividend.

- **It was resolved**, in accordance with the Board's proposal for profit distribution, to distribute a dividend of €1.50 per share on shares held outside the company, or a total amount of €148,715,547.

The record date for dividend distribution is 15 April 2015 and the dividend pay date was resolved to be 22 April 2015.

It was recorded that holders of nominee registered shares, holding a total of 310,363 votes and shares, had announced their objection to this item.

## 10. Resolution on discharging the Board members and the Managing Director from liability

- **It was resolved** that the Board members and the Managing Director are discharged from liability for the financial year 2014.

It was recorded that holders of nominee registered shares holding a total of 392,671 votes and shares had announced their objection to this item.

## 11. Resolution on the Board members' fees and the basis for reimbursement of expenses

The Chair noted that it was stated in the notice of the General Meeting that shareholders jointly representing over 10% of the votes carried by Kesko Corporation shares have proposed that the Board members' fees be unchanged as follows:

- the Chair of the Board, an annual fee of €80,000
- the Deputy Chair of the Board, an annual fee of €50,000
- a member of the Board, an annual fee of €37,000, and
- a meeting fee of €500 per meeting to a member for a Board meeting and its Committee's meeting, with the exception that the Chair of a Committee who is not the Chair or the Deputy Chair of the Board is paid €1,000 per Committee meeting
- daily allowances are paid and travel expenses are reimbursed in accordance with the general travel rules of Kesko.

A representative of the proposing shareholders repeated the proposal mentioned in the notice of the General Meeting.

- **It was resolved** that the Board members and Committee members are paid the following annual and meeting fees:

Annual fees:

- the Chair of the Board	€80,000
- the Deputy Chair of the Board	€50,000
- a member of the Board	€37,000

and meeting fees:

- for a Board meeting and its Committee's meeting	€500/meeting
- but for a Committee meeting to a Committee Chair who is not also the Chair or the Deputy Chair of the Board	€1,000/meeting

In addition, it was resolved that daily allowances are paid and travel expenses are reimbursed to the Board members and the Board's Committee members in accordance with the general travel rules of Kesko.

It was recorded that holders of nominee registered shares holding a total of 20,767 votes and shares had announced their objection to this item.

## 12. Resolution on the number of Board members

The Chair noted that it was stated in the notice of the General Meeting that shareholders jointly representing over 10% of the votes carried by Kesko shares have proposed that the number of Board members be resolved to be unchanged at seven.

According to the Articles of Association, the Board of Directors is composed of at least five but no more than eight members whose term is three years.

A representative of the proposing shareholders repeated the proposal mentioned in the notice of the General Meeting.

- **It was resolved** to confirm the number of Board members to be seven.

It was recorded that holders of nominee registered shares holding a total of 97,584 votes and shares had announced their objection to this item.

### 13. Election of the Board members

The Chair noted that according to section 4 of the Articles of Association, the term of a Board of Directors' member is three years so that the term begins at the close of the General Meeting electing the members and expires at the close of the third subsequent Annual General Meeting.

As the terms of all of the seven Board members elected by the General Meeting on 16 April 2012 expire at the close of this Annual General Annual Meeting, all seven members are elected by this General Meeting. According to the Articles of Association, the term of the members to be elected is three years so that it will expire at the close of the third Annual General Meeting following this General Meeting.

It is stated in the notice of the General Meeting that shareholders jointly representing over 10% of the votes carried by Kesko Corporation shares propose that the following persons be elected as Board members:

the current members

- retailer Esa Kiiskinen
- retailer, Master of Science in Economics Tomi Korpisaari
- retailer Toni Pokela

and the new members

- eMBA Mikael Aro
- Master of Science in Economics Matti Kyytsönen
- Master of Science in Economics Anu Nissinen
- Master of Laws Kaarina Ståhlberg

The proposed persons have signed their consents to act as members of the Board.

A representative of the proposing shareholder repeated the proposal mentioned in the notice of the General Meeting.

The Chair opened discussion.

The Chair of the General Meeting answered a shareholder's question about personnel representation.

The Board Chair Esa Kiiskinen answered shareholders' questions.

- **It was resolved** to elect Mikael Aro, Esa Kiiskinen, Tomi Korpisaari, Matti Kyytsönen, Anu Nissinen, Toni Pokela and Kaarina Ståhlberg as members of the Board.

The consents of the persons elected as members of the Board

were attached to the minutes.

#### Appendix 8

It was recorded that holders of nominee registered shares holding a total of 7,361,805 votes and 7,220,829 shares had announced their objection to this item, and that shareholders holding a total of 1,371,468 votes and shares had announced that they would abstain from voting on this item.

In addition, it was recorded at the request of shareholder Pekka Jaakkola that he did not support the election of the four new Board member candidates.

### 14. Resolution on the auditor's fee and the basis for reimbursement of expenses

The Chair noted that the Board's Audit Committee has proposed to the General Meeting that the auditor's fee be paid and expenses reimbursed according to invoice approved by the company.

- **It was resolved** that the auditor's fee is paid and expenses are reimbursed according to invoice approved by the company.

It was recorded that holders of nominee registered shares holding a total of 152,527 votes and shares had announced their objection to this item, and that shareholders holding a total of 279,628 votes and shares had announced that they would abstain from voting on this item.

### 15. Election of the auditor

The Chair noted that the Board's Audit Committee has proposed that the firm of auditors PricewaterhouseCoopers Oy, Authorised Public Accountants, who have given their consent and announced that, if elected, Mikko Nieminen, APA, would act as the auditor with principal responsibility, be again elected as the company's auditor.

- **It was resolved** to elect the firm of auditors PricewaterhouseCoopers Oy as the company's auditor, who have announced that Mikko Nieminen, APA, will be the auditor with principal responsibility.

The consent of the firm of auditors elected as the auditor was attached to the minutes.

#### Appendix 9

It was recorded that holders of nominee registered shares jointly holding a total of 153,075 votes and shares had announced their

objection to this item.

## 16. Board's proposal for its authority to decide on share issue

The Chair explained the Board's proposal that it be authorised to decide on the issuance of a total maximum of 20,000,000 new B shares in a share issue.

The Chair opened discussion.

- **It was resolved**, in accordance with the Board's proposal, to authorise Kesko Corporation's Board to decide on the issuance of a total maximum of 20,000,000 new B shares in a share issue.

The shares can be issued for payment to be subscribed by shareholders in a directed issue in proportion to their existing holdings of the company shares regardless of whether they hold A or B shares, or, deviating from the shareholder's pre-emptive right, in a directed issue, if there is a weighty financial reason for the company, such as using the shares to develop the company's capital structure and financing possible acquisitions, capital expenditure or other arrangements within the scope of the company's business operations. The amount paid for the shares will be recognised in the reserve of invested non-restricted equity.

The authorisation also includes the Board's authority to decide on the share subscription price, the right to issue shares for non-cash consideration and the right to make decisions on other matters concerning share issues. The authority will be valid until 30 June 2018 and it cancels the Board's authority granted by the General Meeting of 16 April 2012 to issue a total maximum of 20,000,000 new B shares, which the Board has not used. The applied authority does not cancel the Board's authority granted by the Annual General Meeting of 8 April 2013 to issue a total maximum of 1,000,000 own B shares held by the company as treasury shares, which will be valid until 30 June 2017.

It was recorded that holders of nominee registered shares jointly holding a total of 1,088,464 votes and 1,066,360 shares had announced their objection to this item.

In addition, it was recorded at the request of shareholders Jukka Sulanto and Pekka Jaakkola that they objected to the Board's proposal and that the proposed authorisation should have been halved to 10,000,000 B shares, and that they did not demand a vote on the issue.



## 17. Donations for charitable purposes

The Chair noted that the Board has proposed that the General Meeting resolve to authorise Kesko Corporation's Board to decide on the donations in a total maximum of €300,000 for charitable or corresponding purposes until the Annual General Meeting to be held in 2016, and to decide on the donation recipients, purposes of use and other terms of the donations.

The Chair opened discussion.

- **It was resolved** to authorise Kesko Corporation's Board to decide on the donations in a total maximum of €300,000 for charitable or corresponding purposes until the Annual General Meeting to be held in 2016, and to decide on the donation recipients, purposes of use and other terms of the donations.

It was recorded that holders of nominee registered shares jointly holding a total of 907,550 votes and shares had announced that they would abstain from voting on this item.

## 17. Closing of the meeting

The Chair noted that all of the business specified for this meeting had been handled. The minutes of the General Meeting would be made available to shareholders on the company's website on 27 April 2015 at the latest. The Chair thanked the shareholders and the company management and declared the General Meeting closed.

Seppo Villa  
Chair

In fidem

Anne Leppälä-Nilsson  
Secretary

The minutes have been confirmed and approved

Scrutiniser  
Rami Vehmas

Scrutiniser  
Jari Peltonen