

KESKO'S ANTI-BRIBERY AND ANTI-CORRUPTION PRINCIPLES

This document describes the anti-bribery and anti-corruption principles of Kesko and the Kesko Group ("Kesko") and the related responsibilities. The anti-bribery and anti-corruption principles clarify the K Code of Conduct guidelines.

PURPOSE OF THE PRINCIPLES

The purpose of the principles is to help identify and prevent bribery and corruption and to provide practical assistance on issues related to bribery and corruption. In accordance with the K Code of Conduct, Kesko has zero tolerance for all forms of corruption and bribery. The purpose of these principles is to complement the K Code of Conduct guidelines so that every employee knows how to act correctly in situations involving the risk of bribery or corruption.

APPLICATION OF THE PRINCIPLES

These principles are applicable to all Kesko Group companies, in all business areas, and in all Kesko's operating countries, though always taking into account local legislation. The principles apply not only to Kesko but also to Kesko's business partners (such as consultants), their personnel, and other representatives.

GENERAL PRINCIPLE REGARDING ANTI-BRIBERY AND ANTI-CORRUPTION

Kesko, Kesko's partners, their employees, or other representatives must not, directly or through intermediaries, seek to gain an improper advantage by

- promising, offering, paying, or accepting bribes, other improper advantages, or illegal payments, nor

- advise, encourage, entice, or instruct anyone to take or give bribes.

Corruption and bribery in all forms are strictly prohibited. The use of facilitation payments is also strictly prohibited in Kesko's operations, even if they may be allowed under local legislation in some countries. If the use of a bribe is detected, it must always be addressed. All corruption situations and suspicions must be reported to Kesko Group's Compliance & Ethics function.

DEFINITIONS

Corruption

Corruption refers to the abuse of power for personal gain. Such abuse can be illegal or otherwise unethical, and individuals, public officials, and those working in the business sector may all be involved. Corruption often manifests as the giving and receiving of undue benefits, conflicts of interest, and favoritism. It also includes the misuse of one's position to obtain a specific advantage. The most common form of corruption is the acceptance of an unearned benefit, which is criminalized under the laws of various countries.

Bribery

In legislation, a bribe is generally considered to be a gift, money, or any other benefit intended to influence—or that can be interpreted as influencing—the recipient's actions or decision-making in favor of the bribe-giver or another party. Bribery is typically characterized by a lack of transparency and an expectation of something in return. A bribe can also be directed toward a third party, such as a family member or through an intermediary, such as a consultant.

Facilitation Payment

A facilitation payment (also known as a grease payment or expediting fee) is any small payment or service given to a government official, political party, or another official entity with the intention of speeding up or facilitating routine administrative processes, such as obtaining permits, licenses, or other official documents. Official fees paid to authorities, such as an expedited passport processing fee, are not considered facilitation payments and are therefore permissible.

Conflicts of Interest

Conflicts of interest refer to situations where personal interests may be, or appear to be, in conflict with the interests of the employer. Pursuing personal or close associates' interests, either directly or indirectly, in the course of performing work duties is not acceptable at Kesko. Depending on the circumstances, conflicts of interest can also constitute corruption and should therefore be given special attention. However, it is not always possible to completely avoid conflicts of interest.

In situations involving conflicts of interest, whether external or internal, individuals must not participate in decision-making and should recuse themselves from the decision-making process. Internal conflicts of interest include, for example, being in a supervisory position in relation to a close relative. Any conflicts of interest must be reported to a supervisor immediately upon becoming aware of them. Based on a risk assessment, a more detailed reporting procedure may be implemented in high-risk activities.

Authorities

An official refers to a person holding a public position of trust, including politicians, employees of public entities, foreign and domestic civil servants, individuals exercising public authority, service personnel in the military, or other individuals subject to criminal liability for official misconduct under legislation other than criminal law.

GIFTS AND HOSPITALITY

In Kesko's business operations, offering, giving, and receiving gifts and hospitality of minor value is permitted, provided that it is not intended to influence decision-making and no return favor is expected. Additionally, such gestures must be occasional, transparent, appropriate to the situation, and business-related. It is also essential that gifts or hospitality do not create any suspicion from an external perspective regarding the legality or propriety of Kesko's operations. Cash or equivalent benefits must never be given or received as gifts. This also includes non-standard gift cards and personal discounts. Furthermore, it is necessary to identify and comply

with the specific guidelines of authorities and other recipients.

To ensure a zero-tolerance policy on bribery, the following principles must be observed:

- Offering or receiving gifts or hospitality is not permitted if Kesko is engaged in contract negotiations with the counterparty. However, standard meeting refreshments are allowed.
- Only low-value (symbolic) gifts and modest hospitality may be offered to public officials, ensuring that no intent to influence arises.
- Kesko covers the travel and accommodation expenses of its own employees.
- As a general rule, Kesko does not cover the travel or accommodation costs of customers or business partners unless it constitutes ordinary, low-value hospitality (e.g., a taxi ride) or there are exceptional and pre-approved reasons. Such exceptions, like a large stakeholder event decided by senior management, must not create a personal or targeted benefit or be perceived as an attempt to influence. In these cases, the decision is made by the responsible business director after consulting the Compliance & Ethics function.
- Kesko does not pay for public officials' travel expenses.
- Product samples provided by suppliers are intended for Kesko's internal use.
- Participation in international seminars or organizing Kesko's own partner events is permitted with unit director approval.

If deviations from these guidelines are necessary due to exceptional reasons, approval must be sought from the relevant business director, who will consult the Compliance & Ethics function. Such cases may include invitations to speak at a seminar abroad or trade fairs where the inviting party is the event organizer rather than a Kesko supplier.

SPONSORSHIP AND DONATIONS

All sponsorship activities must comply with K Group's sponsorship principles. K Group primarily supports nationwide initiatives through sponsorship and board-approved donation funds. These initiatives should be related to children's and youth's daily lives and physical activity, bring joy to

as many people as possible, and promote quality of life and sustainable development. Major sponsorship partnerships are publicly disclosed.

Kesko does not accept direct sponsorship requests from its employees. Additionally, Kesko does not participate in sponsorship projects initiated by retailers if the retailer has a personal financial interest in the situation. Any potential conflicts of interest must always be considered when making sponsorship decisions, and all decisions must follow Kesko's authorization procedures.

Donations to nonprofit organizations may be made from funds approved by the General Meeting, with donation recipients determined by Kesko Corporation's Board of Directors.

Kesko does not make direct monetary donations for political purposes. The company does not seek to financially benefit from political situations nor take a stance on matters unrelated to Kesko's advocacy objectives. Any potential conflicts of interest must be considered in all political decision-making situations.

THIRD PARTIES

The use of third parties in business operations is a particularly sensitive area regarding corruption and bribery. Kesko may be held liable if third parties acting on its behalf engage in corrupt or bribery-related activities.

For this reason, special care must be taken when selecting business partners, ensuring that only reputable and competent agents, consultants, or other representatives are chosen. All third parties representing Kesko must sign a written agreement requiring compliance with the K Code of Conduct, including its anti-corruption and anti-bribery provisions.

All consultant invoices must include a detailed breakdown of services and work performed to ensure that the payment does not constitute an undue benefit. Consultants and other third parties representing Kesko must disclose any kickbacks or other incentives that could influence their contractual relationship with a supplier.



RESPONSIBILITIES AND ORGANISATION

Responsibility for Kesko's anti-corruption and anti-bribery principles lies with Kesko's Legal Affairs.

The anti-corruption and anti-bribery principles are approved by the Group Management Board member responsible for Legal Affairs and Sustainability.

ENTRY INTO FORCE

Approved on 21.11.2024, Lasse Luukkainen, EVP, Legal and Sustainability

