



KESKO CORPORATION STOCK EXCHANGE RELEASE 3.2.2021 AT 9.10

Proposals of Kesko's Board of Directors to the Annual General Meeting

The Board of Directors of Kesko Corporation has decided to propose to the Annual General Meeting to be held on 12 April 2021 that it resolve to pay € 0.75 per share as dividend for 2020, adopt the financial statements, approve the Remuneration Report for Governing Bodies, and authorise the Board to decide on the issue of shares and on donations for charitable purposes. The Board proposes that the firm of authorised public accountants Deloitte Oy be elected as the Company's Auditor.

Kesko Corporation's Annual General Meeting will be held on Monday, 12 April 2021, starting at 1.00 pm (EET). Due to the Covid-19 pandemic, exceptional meeting procedures based on the temporary legislative act 677/2020 will be in place so that the Annual General Meeting can be held in a predictable manner, ensuring the health and safety of the Company's shareholders, personnel and other stakeholders. The Company's shareholders and their proxies may vote and submit counter proposals and questions in advance, and follow the Annual General Meeting remotely in a manner that will be detailed in the Notice of Annual General Meeting. The Notice of Annual General Meeting is estimated to be published in week 11 as a stock exchange release and on the Company's website.

In addition to the matters specified for the agenda of the Annual General Meeting in section 10 of the Company's Articles of Association, the following proposals by the Board of Directors will be handled by the Annual General Meeting:

Adoption of the financial statements

The Board proposes that the Annual General Meeting adopt the financial statements for 2020. The Company's Auditor has supported adopting the financial statements.

Use of the profit shown on the balance sheet and resolution on the payment of dividend

The Board proposes that a dividend of €0.75 per share be paid for the year 2020 based on the adopted balance sheet on shares held outside the Company at the date of dividend distribution. The remaining distributable assets will remain in equity. The Board proposes that the dividend be paid in two instalments.

The first instalment, €0.38 per share, is to be paid to shareholders registered in the Company's register of shareholders kept by Euroclear Finland Ltd on the first dividend instalment payment record date 14 April 2021. The Board proposes that the first dividend instalment pay date be 21 April 2021.

The second instalment, €0.37 per share, is to be paid to shareholders registered in the Company's register of shareholders kept by Euroclear Finland Ltd on the second dividend instalment payment record date 1 October 2021. The Board proposes that the second dividend instalment pay date be 8 October 2021. The Board proposes that it be authorised to decide, if necessary, on a new dividend payment record date and pay date for the second instalment if the rules and statutes of the Finnish book-entry system change or otherwise so require.

As at the date of the proposal for the distribution of profit, 2 February 2021, 396,739,146 shares were held outside the Company, and the corresponding total amount of dividends is €297,554,359.50. The distributable assets of Kesko Corporation total €1,436,295,866.09, of which profit for the financial year is €234,293,405.12.

Reviewing the Remuneration Report for Governing Bodies

The Board proposes that the Annual General Meeting approve the 2020 Remuneration Report for Governing Bodies.

Resolution on the Auditor's fee and the basis for reimbursement of expenses

The Board proposes to the Annual General Meeting, at the recommendation of the Board's Audit Committee, that the Auditor's remuneration and the reimbursement of the Auditor's expenses be paid according to an invoice approved by the Company.

Election of the Auditor

The Board proposes to the Annual General Meeting, at the recommendation of the Board's Audit Committee, that the firm of authorised public accountants Deloitte Oy be elected as the Company's Auditor for the financial year 2021. If Deloitte Oy is elected as Kesko's Auditor, the firm has announced that APA Jukka Vattulainen will be the auditor with principal responsibility.

Board of Directors' proposal for its authorisation to decide on the issuance of shares

The Board proposes it be authorised to decide on the issuance of new B series shares as well as of own B shares held by the Company as treasury shares on the following terms and conditions:

Under the authorisation, the Board shall be authorised to make one or more decisions on the issuance of B shares, provided that the number of B shares thereby issued totals at maximum 40,000,000 B shares. This number of shares is equivalent to approximately 10% of all shares in the Company.

B shares can be issued for subscription by shareholders in a directed issue in proportion to their existing holdings of shares in the

Company, regardless of whether they own A or B shares. B shares can also be issued in a directed issue, departing from the shareholder's pre-emptive right, for a weighty financial reason for the Company, such as using the shares to develop the Company's capital structure, to finance possible acquisitions, capital expenditure or other arrangements within the scope of the Company's business operations, or to implement the Company's commitment and incentive scheme. For the latter purpose, however, the maximum number of B shares that can be issued is 800,000 shares. This number of shares is equivalent to approximately 0.2% of all shares in the Company.

New B shares can only be issued against payment. Own B shares held by the Company as treasury shares can be issued either against or without payment. According to the Finnish Limited Liability Companies Act, a directed share issue can only be without payment if an especially weighty financial reason exists thereto, both from the viewpoint of the Company's interests and taking into account the best interests of all its shareholders.

The Board of Directors shall decide on the subscription price of the shares upon the issuance of new shares, and the possible amount that is payable upon the conveyance of B shares held by the Company. The Board will also have the right to issue shares for a non-cash consideration. The subscription price and possible amount payable for the shares shall be recorded in the reserve for invested non-restricted equity.

The Board will make decisions regarding any other matters related to the share issues.

The authorisation is valid until 30 June 2022. The authorisation cancels out the authorisation granted by the Annual General Meeting of 28 April 2020 to the Board of Directors to issue of a total maximum of 40,000,000 new B shares or B shares held by the Company as treasury shares. That authorisation would have expired on 30 June 2021.

Donations for charitable purposes

The Board proposes that it be authorised to decide on donations in a total maximum of €300,000 for charitable or corresponding purposes until the Annual General Meeting to be held in 2022, and to decide on the donation recipients, purposes of use and other terms of the donations.

Available documents

The proposals of the Board of Directors and the Shareholders' Nomination Committee are available on the Company's website at www.kesko.fi/en/investor/General-Meeting. The financial statements documents and the Remuneration Report will be published as a stock exchange release and made available to shareholders on the Company's website in week 11.

Further information is available from Lasse Luukkainen, Group General Counsel, tel. +358 105 322 818, and Hanna Jaakkola, Vice President, Investor Relations, tel. +358 105 323 540.

Kesko Corporation

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