



## NOTICE OF ANNUAL GENERAL MEETING

Kesko Corporation's shareholders are invited to the Annual General Meeting to be held at Messukeskus Helsinki, Rautatietäisenkatu 3 (Siipi entrance), Helsinki, on Monday, 8 April 2019, starting at 13.00 EET. The reception desks for those registered for the meeting will open and voting tickets will be provided starting from 12.00 EET. Refreshments will be served after the meeting.

### *A. Items on the agenda of the General Meeting*

1. Opening of the meeting
2. Calling the meeting to order
3. Election of persons to scrutinise the minutes and to supervise the counting of votes
4. Recording the legality of the meeting
5. Recording the attendance at the meeting and adoption of the list of votes
6. Review by the President and CEO
7. Presentation of the 2018 financial statements, the report by the Board of Directors and the Auditor's Report
8. Adoption of the financial statements
9. Use of the profit shown on the balance sheet and resolution on the payment of dividend

The Board proposes that a dividend of €2.34 per share be paid for the year 2018 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, €1.17 per share, will 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 10 April 2019. The Board proposes that the first dividend instalment pay date be 17 April 2019. The second instalment, €1.17 per share, will 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 10 October 2019. The Board proposes that the second dividend instalment pay date be 17 October 2019. The Board proposes 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.



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

### **11. Resolution on the Board members' remuneration and the basis for reimbursement of their expenses**

Shareholders jointly holding over 10% of the votes attached to Kesko Corporation's shares have made the following proposals regarding fees and the reimbursement of expenses for Kesko Corporation's Board members:

- Board Chairman, an annual fee of €97,000
- Board Deputy Chairman, an annual fee of €60,000
- Board member, an annual fee of €45,000
- Board member who is the Chairman of the Audit Committee, an annual fee of €60,000
- A meeting fee of €500/meeting for a Board meeting and its Committee's meeting. The meeting fee for the Board Chairman is €1,000/Board meeting. However, a meeting fee of €1,000/Committee meeting is paid to a Committee Chairman who is not the Chairman or Deputy Chairman of the Board. Meeting fees are paid in cash.
- Daily allowances and the reimbursements of travel expenses are paid to the Board members in accordance with the general travel rules of Kesko.

It is proposed that the payment of the aforementioned annual fees be made in Kesko Corporation's B shares and in cash, with approximately 30% of the fees paid in shares. After the transfer of shares, the remaining fee amount is paid in cash. The Company will acquire the shares or transfer shares held by the Company as treasury shares in the name and on behalf of the Board members. The Company is responsible for the costs arising from the acquisition of the shares. The shares will be acquired or transferred to the Board members on the first working day to follow the publication of the interim report for the first quarter of 2019. A Board member cannot transfer shares obtained in this manner until either three years have passed from the day the member has received the shares or their membership on the Board has ended, whichever comes first.

### **12. Resolution on the number of Board members**

Shareholders jointly representing over 10% of the votes attached to Kesko Corporation shares have informed the Company that they will propose at the Annual General Meeting that a resolution be passed to leave the number of members of the Board unchanged at the present seven (7).

According to section 4 of the Company's Articles of Association, the term of office of the Board of Directors' members is three (3) years, so that the term of office begins at the close of the General Meeting electing the members and expires at the close of the third (3rd) subsequent Annual General Meeting.



The Annual General Meeting held on 11 April 2018 resolved that the number of Board members was seven (7) and elected seven (7) Board members for terms of office in accordance with the Articles of Association, expiring at the close of the Annual General Meeting to be held in 2021. The members elected were retailer Esa Kiiskinen, Peter Fagerlös, Master of Laws, Jannica Fagerholm, Master of Science (Economics), Piiä Karhu, Doctor of Science (Economics and Business Administration), Matti Kyytsönen, Master of Science (Economics), retailer Matti Naumanen, and retailer Toni Pokela, eMBA. More detailed information on all the Board members is available at [www.kesko.fi/en/investor/General-Meeting](http://www.kesko.fi/en/investor/General-Meeting).

### **13. Resolution on the Auditor's fee and the basis for reimbursement of expenses**

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

### **14. Election of the Auditor**

The Board proposes to the General Meeting, at the recommendation of the Board's Audit Committee, that Authorised Public Accountants PricewaterhouseCoopers Oy be elected as the Company's auditor for the 2019 financial year. If the firm is elected as Kesko's auditor, PricewaterhouseCoopers Oy has announced that APA Mikko Nieminen will be the auditor with principal responsibility.

### **15. The Board's proposal to amend sections 6, 9 and 10 of the Company's Articles of Association**

The Board of Directors proposes that the Annual General Meeting resolves to amend sections 6, 9 and 10 of the Company's Articles of Association.

The Board proposes amending section 6 "Auditor" of the Articles of Association, as in accordance with the Finnish Auditing Act, which entered into force on 1 January 2016, the Auditor Oversight unit of the Finnish Patent and Registration Office is responsible for auditor oversight as of 1 January 2016, not the Chamber of Commerce. The Board proposes not to include the name of the oversight authority in the Articles of Association. Furthermore, the Board proposes recording that the Company's Authorised Public Accountants organisation shall designate an Authorised Public Accountant as the auditor with principal responsibility. Apart from the proposed changes, the wording and content of section 6 would not be amended.

The Board proposes amending section 9 "Notice of the General Meeting" of the Articles of Association so that a notice of a General Meeting shall be given, in accordance with the Finnish Limited Liability Companies Act, at the earliest three months before the General Meeting, instead of the two months currently stated in the Articles of Association.



The Board proposes amending section 10 “Annual General Meeting” of the Articles of Association so that the Meeting shall decide on the number of the Board of Directors’ members only when necessary. According to section 4 “Board of Directors” of the Articles of Association, the term of the Board of Directors’ members is three (3) years, and therefore an Annual General Meeting does not necessarily elect any Board members, and consequently does not need to make decisions regarding the number of Board members. The Board also proposes changing the wording to refer to “the fees and the basis for the reimbursement of expenses to the members of the Board of Directors and the auditor” instead of the current “auditors”.

## **16. Donations for charitable purposes**

The Board proposes that the General Meeting resolves to authorise it 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 2020, and to decide on the donation recipients, purposes of use, and other terms and conditions of the donations.

## **17. Closing of the meeting**

### ***B. General Meeting documents***

The above resolution proposals on the agenda of the General Meeting, as well as this notice of the meeting are available on Kesko Corporation's website at [www.kesko.fi/en/investor/General-Meeting](http://www.kesko.fi/en/investor/General-Meeting). Kesko Corporation's financial statements, the report by the Board of Directors and the Auditor's report will be made available on the website on 8 March 2019. The resolution proposals and the other documents mentioned above will also be available at the General Meeting, and copies of the documents and of this notice of meeting will be sent to shareholders on request. The minutes of the General Meeting will be made available to shareholders on the website on 23 April 2019 at the latest.

### ***C. Instructions for meeting participants***

#### **1. Right to participate and registration**

Shareholders have the right to participate in the General Meeting if they are registered in the Company's register of shareholders kept by Euroclear Finland Ltd on 27 March 2019. Shareholders whose shares are registered on their personal Finnish book-entry accounts are registered in the Company's register of shareholders.

A shareholder in the register of shareholders wishing to participate in the General Meeting must register for the General Meeting by 3 April 2019 at 16.00 EET at the latest, by which time the registration will have to be received by the Company. The registration can be made either



- a) through the website at [www.kesko.fi/en/investor/General-Meeting](http://www.kesko.fi/en/investor/General-Meeting) following the instructions provided there
- b) by email to [keskoyhtiokokous@kesko.fi](mailto:keskoyhtiokokous@kesko.fi)
- c) by telephone +358 105 323 211 (from Monday to Friday between 9 and 16)
- d) by fax +358 105 323 421, or
- e) by letter to Kesko Corporation/Group Legal Affairs, PO Box 1, FI-00016 Kesko.

The registration information must include the shareholder's name, personal ID/business ID, address, telephone number and a possible assistant's or proxy representative's name and personal ID. The personal data will only be used in connection with the General Meeting and when processing related necessary registrations.

## **2. Holder of a nominee-registered share**

Holders of nominee-registered shares have the right to participate in the General Meeting by virtue of the shares which would entitle them to be registered in the register of shareholders kept by Euroclear Finland Ltd on 27 March 2019. Attendance also requires that the shareholder is temporarily registered in the Company's register of shareholders kept by Euroclear Finland Ltd by virtue of this shareholding by 3 April 2019 at 10.00 EET at the latest. With respect to nominee-registered shares, this constitutes as registration for the General Meeting.

Holders of nominee-registered shares are advised to request instructions for registering in the register of shareholders, submitting their proxy documents and participating in the General Meeting from their custodian banks well in advance. The account operator of the custodian bank shall request a holder of a nominee-registered share wishing to participate in the Annual General Meeting to be registered in the Company's temporary register of shareholders by the aforementioned deadline at the latest.

## **3. Proxy representative and proxy documents**

A shareholder may participate in the General Meeting and exercise his/her rights at the meeting by way of proxy representation. The proxy representative of a shareholder will have to produce a dated proxy document, or otherwise in a reliable manner demonstrate his/her right to represent the shareholder. If a shareholder participates in the General Meeting by means of several proxy representatives who represent the shareholder with shares on different securities accounts, the shares with which each proxy representative represents the shareholder are to be identified in connection with the registration.

Possible proxy documents are to be delivered to the above registration address before the end of the registration period, either as originals by mail or as email attachments (e.g. pdf).



#### 4. Other information

Pursuant to Chapter 5, Section 25 of the Limited Liability Companies Act, a shareholder who is present at the General Meeting has the right to request information with respect to the matters to be dealt with at the Meeting.

As at the publication date of the notice of the meeting, Kesko Corporation has a total of 31,737,007 A shares, which carry 317,370,070 votes, and a total of and 68,282,745 B shares, which carry a total of 68,282,745 votes. There are 100,019,752 shares in aggregate, and the aggregate number of votes attached to the shares is 385,652,815. Each A series share carries ten votes and each B series share carries one vote at the General Meeting.

Helsinki, 5 February 2019

KESKO CORPORATION  
BOARD OF DIRECTORS