



BOARD OF DIRECTORS' PROPOSAL FOR ITS AUTHORISATION TO DECIDE ON THE ISSUANCE OF SHARES

The Board of Directors of Kesko Corporation proposes to the Annual General Meeting to be held on 12 April 2021 that the Board of Directors be authorised to decide on the issuance of new B shares in the Company or B shares held by the Company as treasury shares on the following 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.

Helsinki, 2 February 2021

KESKO CORPORATION
Board of Directors