



## NOTICE OF ANNUAL GENERAL MEETING

Kesko Corporation's Annual General Meeting will be held at Kesko Corporation's main office building K-Kampus at Työpajankatu 12, 00580 Helsinki, on Thursday, 7 April 2022, starting at 1.00 pm EET.

The company's shareholders may participate in the General Meeting and exercise their rights as shareholders only by voting in advance and by submitting counterproposals and questions in advance. Instructions for shareholders can be found in Section C 'Instructions for meeting participants' of this notice. The meeting cannot be attended in person.

Shareholders are invited to follow the General Meeting via live webcast at [www.kesko.fi/agm](http://www.kesko.fi/agm). Shareholders watching the meeting online should, however, note that they are not deemed to be participating in the meeting, and they therefore cannot exercise their right to ask questions or vote during the General Meeting.

Kesko's Board of Directors has decided on exceptional procedures for the General Meeting based on the temporary legislative act (375/2021, "Temporary Act") approved by the Finnish Parliament. Due to the Covid-19 pandemic, Kesko has decided to take actions enabled by the Temporary Act in order to hold the General Meeting in a predictable manner, taking into account the health and safety of the company's shareholders, personnel and other stakeholders.

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

- 1. Opening of the meeting**
- 2. Calling the meeting to order**

Professor Seppo Villa will act as the Chair of the General Meeting. If Seppo Villa is not able to act as Chair due to a weighty reason, the Board will nominate another person it deems best suited to act as Chair. The Chair may appoint a secretary for the General Meeting.

- 3. Election of person to confirm the minutes and to supervise the counting of votes**

Master of Laws Lotta Länsman will act as the person to confirm the minutes and supervise the counting of votes. If Lotta Länsman is unable to act as the person to confirm the minutes and supervise the counting of the votes due to a weighty reason, the Board will nominate another person it deems best suited to act as the person to confirm the minutes and supervise the counting of votes.



#### **4. Recording the legality of the meeting**

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

Shareholders who have voted in advance during the advance voting period and who are entitled to take part in the General Meeting according to Chapter 5, Sections 6 and 6 a of the Finnish Limited Liability Companies Act, are deemed to participate in the General Meeting. The list of votes will be adopted based on the information provided by Euroclear Finland Ltd.

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

#### **7. Presentation of the 2021 financial statements, Report by the Board of Directors, and the Auditor's Report**

As shareholders can only participate in the General Meeting via advance voting, the company's Annual Report, which will be released in week 10 at the latest and which includes the company's financial statements, Report by the Board of Directors, and Auditor's report, and is available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm), is deemed to have been presented to the General Meeting.

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

The Board proposes that the General Meeting adopt the financial statements. The company's Auditor has recommended adopting 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 €1.06 per share be paid for the year 2021 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 four instalments as follows:

- The first instalment of €0.27 per share is to be paid to shareholders registered in the company's register of shareholders kept by Euroclear Finland Ltd on the instalment's record date 11 April 2022. The Board proposes that the dividend instalment pay date be 20 April 2022.
- The second instalment of €0.26 per share is to be paid to shareholders registered in the company's register of shareholders kept by Euroclear Finland Ltd on the instalment's record date 22 June 2022. The Board proposes that the dividend instalment pay date be 29 June 2022.
- The third instalment of €0.27 per share is to be paid to shareholders registered in the company's register of shareholders kept by Euroclear Finland Ltd on the instalment's record date 13 September 2022. The Board proposes that the dividend instalment pay date be 20 September 2022.



- The fourth instalment of €0.26 per share is to be paid to shareholders registered in the company's register of shareholders kept by Euroclear Finland Ltd on the instalment's record date 13 December 2022. The Board proposes that the dividend instalment pay date be 20 December 2022.

The Board proposes it be authorised to decide, if necessary, on new dividend payment record dates and pay dates for the second, third and/or fourth instalments, 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 2022, a total of 397,110,344 shares were held outside the company, and the corresponding total amount of dividends is € 420,936,964.64.

The distributable assets of Kesko Corporation total €1,502,200,136.91, of which profit for the financial year is €354,650,052.25.

#### **10. Resolution on discharging the Board members and the Managing Director from liability for the financial year 1 Jan. - 31 Dec. 2021**

#### **11. Reviewing the Remuneration Report for Governing Bodies**

The Board proposes that the General Meeting approve the 2021 Remuneration Report for Governing Bodies. The resolution concerning the Remuneration Report is advisory in nature. The Remuneration Report will be made available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm) in week 10 at the latest.

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

The Shareholders' Nomination Committee proposes that the remuneration of Board members and the reimbursement of their expenses remain unchanged. The proposal regarding the remuneration of Board members and the reimbursement of their expenses in 2022-2023 is as follows:

- Board Chair, an annual fee of €102,000
- Board Deputy Chair, an annual fee of €63,000
- Board member, an annual fee of €47,500
- Board member who is the Chair of the Audit Committee, an annual fee of €63,000
- A meeting fee of €600/meeting for a Board meeting and its Committee's meeting. A meeting fee of €1,200/Board meeting for the Board Chair. However, a meeting fee of €1,200/Committee meeting is to be paid to a Committee Chair who is not the Chair or Deputy Chair of the Board. The meeting fees are to be 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 aforementioned annual remuneration payments be made in Kesko Corporation's B shares and in cash, with approximately 30% of the remuneration paid in shares. After the transfer of shares, the remaining amount will be 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 2022. 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.

### **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 the firm of authorised public accountants Deloitte Oy be re-elected as the company's Auditor for a term that will extend until the end of next Annual General Meeting. If Deloitte Oy is elected as the company's Auditor, the firm has announced that APA Jukka Vattulainen will be the auditor with principal responsibility.

### **15. Authorising the Board of Directors to decide on the repurchase of the company's own shares**

The Board proposes that the General Meeting authorise the Board to decide on the repurchase of the company's own B shares ("Authorisation to repurchase shares") under the following terms and conditions:

Under the authorisation, the Board will be entitled to decide on the repurchase of a maximum of 16,000,000 of Kesko's B shares. This number of shares is equivalent to approximately 4.0% of all shares in the company. Based on the authorisation, B shares may also be repurchased not in proportion to the shareholdings of shareholders (directed repurchase). The shares may be repurchased in one or more lots. Kesko B shares may be repurchased using the company's distributable unrestricted equity, at the price quoted in public trading at the time of repurchase, or at other market price.

The shares are to be repurchased for use in the development of the company's capital structure, to finance possible acquisitions, capital expenditure and/or other arrangements within the scope of the company's business operations, and to implement the company's



commitment and incentive scheme for management and other personnel, or to be kept by the company, otherwise transferred, or cancelled.

The Board will make decisions concerning other terms of the repurchase of own shares.

The authorisation to repurchase shares will be in force until 30 June 2023.

## **16. Authorising the Board of Directors to decide on a share issue**

The Board proposes that the General Meeting authorise the Board 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 will be authorised to make one or more decisions on the issuance of B shares, provided that the number of B shares thereby issued totals a maximum of 33,000,000 B shares. This number of shares is equivalent to approximately 8.2% of all shares in the company.

The B shares can be issued for subscription by shareholders in a directed issue in proportion to their existing holdings of the company's shares, 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. Kesko 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 the company, taking into account the best interests of all of its shareholders, has a particularly weighty financial reason for it.

The Board of Directors will 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 as treasury shares. 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 will 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 will be valid until 30 June 2023. The authorisation cancels out the authorisation granted by the General Meeting of 12 April 2021 to the Board of Directors to



issue a total maximum of 40,000,000 new B shares or B shares held by the company as treasury shares, which would have expired on 30 June 2022.

## **17. Donations for charitable purposes**

The Board proposes that the General Meeting authorise the Board 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 2023, and to decide on the donation recipients, purposes of use, and other terms and conditions of the donations.

## **18. Closing of the meeting**

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

The above resolution proposals on the General Meeting agenda as well as this notice of the meeting are available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm). Kesko Corporation's financial statements, Report by the Board of Directors, Auditor's report, and Remuneration Report will be made available on the website in week 10 at the latest. Copies of the resolution proposals and this notice will be sent to shareholders at request. The General Meeting minutes will be made available on the aforementioned website on 21 April 2022 at the latest.

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

Due to the Covid-19 pandemic, the Annual General Meeting will be arranged in such a way that neither shareholders nor their proxy representatives may arrive at the meeting venue. Shareholders and their proxy representatives can participate in the General Meeting and exercise their rights only by voting in advance and by submitting counterproposals and questions in advance, taking into account the limitations set out in the Temporary Act.

A shareholder or a proxy representative may not participate in the General Meeting by means of real-time telecommunications either, but shareholders may follow the General Meeting on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm) by ordering a personal link to the live stream by 1 April 2022 at 12.00 noon EET at the latest. Ordering the link requires strong electronic identification by means of online banking codes or Mobile ID. Holders of nominee-registered shares, who cannot order the link on the website, may contact the company by e-mail at [keskoagm@kesko.fi](mailto:keskoagm@kesko.fi) by the aforementioned time in order to obtain the link. The link will be activated for the shareholders who are registered in Kesko's register of shareholders on the record date of the General Meeting, 28 March 2022. Ordering a link does not require participation registration for the meeting or advance voting. The language of the meeting is Finnish. Shareholders following the General Meeting in this way are not considered to be participating in the General Meeting based on only following the Meeting, and the resolutions of the General Meeting shall be made based solely on the advance voting.



## 1. Right to participate by a shareholder registered in the register of shareholders

Each shareholder registered in the company's register of shareholders kept by Euroclear Finland Ltd on the record date of the General Meeting, 28 March 2022, has the right to participate in the General Meeting. Shareholders whose shares are registered on their personal Finnish book-entry account are registered in the company's register of shareholders.

## 2. Notice of participation of a shareholder registered in the register of shareholders, and voting in advance

Registration for the General Meeting and advance voting begin when the deadline for making counterproposals has expired and the company has published the possible counterproposals to be put to a vote on the company's website, but no later than on 15 March 2022. A shareholder registered in the company's register of shareholders wishing to participate in the General Meeting by voting in advance, must register for the General Meeting and vote in advance by 1 April 2022 at 12.00 noon EET at the latest, by which time the notice of participation and the votes must be received.

Shareholders with a Finnish book-entry account may register and vote in advance on certain matters on the agenda of the General Meeting within the registration and advance voting period by the following means:

- a) On the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm)

Registration and advance voting require strong electronic identification (online banking codes or Mobile ID) for natural persons. Strong electronic identification is not required for legal persons. In such cases, however, legal persons must provide the number of their book-entry account, as well as other required information. If a legal person utilises the Suomi.fi electronic authorisation, registration requires strong electronic identification from the authorised person, which works with online banking codes or Mobile ID.

- b) By e-mail or regular mail

A shareholder voting in advance by e-mail or regular mail must deliver the advance voting form available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm) to Euroclear Finland Ltd by e-mail to [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu) or by regular mail to Euroclear Finland Ltd, AGM / Kesko Corporation, PO Box 1110, FI-00101 Helsinki, Finland. The advance voting form will be available on the company's website no later than on 15 March 2022.

If a shareholder participates in the General Meeting by delivering advance votes by e-mail or regular mail to Euroclear Finland Ltd, the delivery of the votes before the deadline for delivering the notice of participation and the advance voting period has expired shall constitute due registration for the General Meeting, provided that the



shareholder's message includes the information required for the registration set out in the advance voting form.

Shareholders must submit the requested information, such as their identification and contact details, in connection with their registration. Personal data disclosed in connection with a shareholder's registration will be used only in connection with the General Meeting and the thereto related necessary processing of registrations.

Instructions regarding the voting are available to all shareholders on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm). Additional information is also available by telephone +358 105 323 211 (Monday to Friday between 9.00 am and 4.00 pm EET).

### **3. Proxy representative and powers of attorney**

Shareholders can participate in the General Meeting and exercise their rights thereat by way of proxy representation.

A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate their right to represent the shareholder. Should a shareholder participate in the General Meeting by means of several proxy representatives representing the shareholder with shares on different book-entry accounts, the shares by which each representative represents the shareholder shall be identified in connection with the registration.

A template for proxy document and voting instructions will be made available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm) on 15 March 2022 at the latest.

Shareholders who will not vote in advance themselves may, without any cost to the shareholder, use the company's proxy authorisation service and authorise Veli Siitonen, Attorney-at-Law of Merilampi Attorneys Ltd., or another Attorney-at-Law independent of the company appointed by Veli Siitonen to exercise the shareholder's voting rights at the General Meeting in accordance with the voting instructions given by the shareholder. A signed proxy document including the advance voting form must be delivered to Veli Siitonen, Attorney-at-Law, by e-mail or regular mail (contact details below) no later than on 1 April 2022 at 10.00 am EET, by which time the documents must be received.

Further information on the designated proxy representative is available on the website <https://www.merilampi.com/ihmiset/specialist-counsels/veli-siitonen/> and his contact details are:

e-mail: [veli.siitonen@merilampi.com](mailto:veli.siitonen@merilampi.com)

postal address: Merilampi Attorneys Ltd., Veli Siitonen, Keskuskatu 7, FI-00100 Helsinki, Finland



Shareholders may participate in the General Meeting and exercise their rights thereat also by appointing another proxy representative of their choice. A proxy representative appointed by a shareholder must also vote in advance in the herein described manner by either e-mail or regular mail (a proxy representative cannot vote in the electronic advance voting system, with the exception of proxy representatives of legal persons as described in the following paragraph). A proxy representative must deliver a signed proxy document given to them including the advance voting form or corresponding information by regular mail to Euroclear Finland Ltd, AGM / Kesko Corporation, PO Box 1110, FI-00101 Helsinki, Finland or by e-mail to [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu) no later than on 1 April 2022 at 12.00 noon EET, by which time the documents or corresponding information must be received. Delivery of the proxy document to Euroclear Finland Ltd before the end of the registration period shall constitute due registration for the General Meeting.

A shareholder who is a legal person can also use the electronic Suomi.fi authorisation service instead of a traditional proxy document. In this case, the legal person authorises a proxy that they nominate in the Suomi.fi authorisation service at the website [www.suomi.fi/e-authorizations](http://www.suomi.fi/e-authorizations) using the mandate theme “Representation at the General Meeting”. In connection with Euroclear Finland Oy's General Meeting service, the person so authorised must identify themselves with strong electronic identification in connection with the registration, after which the electronic authorisation will be checked automatically. Strong electronic identification works with online banking codes or Mobile ID. More information is available on the website [www.suomi.fi/e-authorization](http://www.suomi.fi/e-authorization), and the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm).

#### **4. Holders of nominee-registered shares**

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 company's register of shareholders kept by Euroclear Finland Ltd on the record date of the General Meeting, 28 March 2022. Participation further requires that the shareholder is temporarily registered in the company's shareholder register kept by Euroclear Finland Ltd by virtue of this shareholding by 4 April 2022 at 10.00 am EET at the latest. As regards nominee-registered shares, this constitutes due registration for the General Meeting.

Holders of nominee-registered shares are advised to request instructions regarding the registration 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 to be temporarily registered in the company's register of shareholders and arrange voting on behalf of a holder of nominee-registered shares by the aforementioned time at the latest.



## 5. Making counterproposals to the proposed resolutions and submitting questions in advance

Shareholders holding at least one-hundredth (1/100) of all shares in the company within the meaning of the Temporary Act have a right to make a counterproposal to the proposed resolution on the agenda of the General Meeting to be put to a vote. Such counterproposals must be delivered to the company by e-mail to [keskoagm@kesko.fi](mailto:keskoagm@kesko.fi) by no later than 10 March 2022 at 4.00 pm EET. Shareholders making a counterproposal must in connection with delivering the counterproposal present evidence of their shareholding. A counterproposal will be considered at the General Meeting provided that the shareholder has the right to participate in the General Meeting, the shareholder has registered for the General Meeting, and the shareholder holds shares corresponding to at least one-hundredth of all shares in the company on the record date of the General Meeting. Should the counterproposal not be taken up for consideration in the General Meeting, votes given in favour of the counterproposal will not be taken into consideration. The company will publish counterproposals to be put to a vote, if any, on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm) on 14 March 2022 at the latest.

Pursuant to Chapter 5, Section 25 of the Limited Liability Companies Act, a shareholder who has the right to participate in the General Meeting as set out in section C.1 or C.4 of this Notice, has the right to submit questions with respect to the matters to be considered at the General Meeting until 23 March 2022 by sending them by e-mail to [keskoagm@kesko.fi](mailto:keskoagm@kesko.fi). Such questions from shareholders, the company's answers to them as well as counterproposals other than those put to a vote will be made available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm) on 29 March 2022 at the latest. As a prerequisite for submitting questions, shareholders must present adequate proof of their shareholding upon request.

## 6. Other instructions/information

As at the date of the Notice of General Meeting, Kesko Corporation has 126,948,028 A shares, which carry a total of 1,269,480,280 votes, and 273,130,980 B shares, which carry a total of 273,130,980 votes. There are 400,079,008 shares in aggregate, and the aggregate number of votes attached to the shares is 1,542,611,260. Each A series share carries ten votes and each B series share carries one vote at the General Meeting.

Changes in the ownership of shares that take place after the General Meeting record date do not affect the right to take part in the General Meeting or the shareholder's number of votes.

Helsinki, 11 February 2022

KESKO CORPORATION  
BOARD OF DIRECTORS