



KESKO CORPORATION STOCK EXCHANGE RELEASE 5.2.2025 AT 09.10

# **Kesko's new share-based commitment and incentive plans for President and CEO for 2025-2028**

Kesko Corporation's Board of Directors has decided to establish new share-based compensation plan Performance Share Plan President and CEO (PSP President and CEO) and a transitional phase share-based compensation plan (Bridge Plan) for Kesko's President and CEO. The Board also confirmed the criteria for 2025 for the PSP President and CEO 2025-2028 and Bridge Plan 2025-2028.

The new performance-based Performance Share Plan (PSP President and CEO) consists of individual annually commencing share plans. Each share plan has a three-year performance period and a one-year commitment period following the payment of the potential share award.

The performance-based Bridge Plan is aimed to cover the transitional phase from President and CEO's long-term compensation plan with a two-year performance period to the new structure with a three-year performance period. The Bridge includes of a share plan starting in 2025, which includes a two-year performance period and a two-year commitment period following the potential payment of share award.

The share awards for the PSP President and CEO and Bridge will be paid to the participant in Kesko B shares and they are subject to the same terms and conditions during the commitment period as the performance-based Performance Share Plan (PSP).

Kesko Corporation's Board of Directors has decided to set the development of Kesko Group's comparable tax-free sales (%), Kesko Group's comparable return on capital employed (ROCE, %), the absolute total shareholder return (TSR, %) of a Kesko B share, and a target measuring Kesko's sustainability, as the performance criteria for both share plans for the 2025 calendar year.

The shares from the PSP President and CEO 2025-2028 plan will be paid to the recipient after the financial results release for the 2027 financial year, in March 2028 at the latest. A maximum total of 127,000 Kesko B shares may be granted in relation to the PSP President and CEO 2025-2028.

The shares from the Bridge 2025-2028 plan will be paid to the recipient after the financial results release for the 2026 financial year, in March 2027 at the latest. A maximum total of 127,000 Kesko B shares may be granted in relation to the Bridge 2025-2028.

The number of shares in the share plans represents gross earnings, from which the withholding tax and transfer tax are deducted, and the remaining net amount is paid to the participant in shares. At its discretion, the Board may decide not to pay a share award or to recover an award that has already been paid, if the recipient has been found guilty of malpractice or an action in breach of Kesko's ethical or responsibility

principles or guidance that, as a whole, cannot be considered insignificant, or if there are weighty grounds for assuming that the recipient is guilty of such acts.

The amount of share award paid to a share plan participant in a single year must not exceed the maximum amount separately set by the Board of Directors, which is up to 400% of the monetary salary of the last calendar year of the performance period for which the award is paid.

The establishment of new share-based compensation plans does not affect the share plans decided in previous years.

Kesko applies a share ownership recommendation to the members of Kesko's Group Management Board. According to the recommendation, each Group Management Board member shall maintain a holding of at least fifty per cent of the net shares they have received under the company's share-based compensation scheme until their holding of Kesko shares corresponds to at least four times their fixed gross annual salary.

Further information is available from Matti Mettälä, Executive Vice President, tel. +358 105 322 200.

Kesko Corporation

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