

## **Notice of Kesko Corporation's Annual General Meeting**

Kesko Corporation's shareholders are invited to the company's Annual General Meeting, to be held at K-Kampus in Helsinki, address Työpajankatu 12, on Tuesday, 26 March 2024, starting at 13.00 EET. Reception desks for those registered for the meeting will open and voting tickets will be provided starting at 11.30 EET. Refreshments will not be served at the meeting.

Shareholders may exercise their voting rights also by voting in advance. In addition, shareholders may submit questions, as referred to in Chapter 5, Section 25 of the Finnish Limited Liability Companies Act, pertaining to matters to be discussed at the meeting, also prior to the meeting in writing.

Shareholders can follow the General Meeting via livestream online. Shareholders are, however, advised that it is not possible to ask questions or exercise the right to vote via the online livestream, and that shareholders following the meeting online are not considered to be participating in the General Meeting.

Instructions for advance voting, submitting questions in writing, and following the meeting online can be found in section C "Instructions for meeting participants" of this Notice.

The General Meeting documents and information regarding the meeting are available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm).

### ***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 2023 financial statements, the Report by the Board of Directors, and the Auditor's Report**
- 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 distribution of dividends**

The Board proposes that a dividend of €1.02 per share be distributed for the year 2023 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 €0.26 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 28 March 2024. The Board proposes that the dividend instalment pay date be 9 April 2024.
- The second instalment of €0.25 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 16 July 2024. The Board proposes that the dividend instalment pay date be 23 July 2024.
- The third 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 15 October 2024. The Board proposes that the dividend instalment pay date be 22 October 2024.
- The fourth instalment of €0.25 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 14 January 2025. The Board proposes that the dividend instalment pay date be 21 January 2025.

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, 29 January 2024, a total of 397,769,511 shares were held outside the company, and the corresponding total amount of dividends is €405,724,901.22.

The distributable assets of Kesko Corporation total €1,584,703,413.17, of which profit for the financial year is €509,617,838.22.

## **10. Resolution on discharging the Board members and the Managing Director from liability for the financial year 1 Jan. - 31 Dec. 2023**

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

The Board proposes that the General Meeting approve the 2023 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. Reviewing the Remuneration Policy for Governing Bodies**

The Board proposes that the General Meeting approve Kesko's Remuneration Policy for Governing Bodies. The resolution concerning the Remuneration Policy is advisory in nature.

The remuneration policy is appended to this Notice of General Meeting and available on the Company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm).

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

The Shareholders' Nomination Committee proposes that the annual fees of Board members be raised by approximately five (5) percent, and that other 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 2024-2025 is as follows:

- Board Chair, an annual fee of €107,000
- Board Deputy Chair, an annual fee of €66,000
- Board member, an annual fee of €50,000
- Board member who is the Chair of the Audit Committee, an annual fee of €66,000
- 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 to be paid to the Board members in accordance with the general travel rules of Kesko.

It is proposed that the aforementioned annual fees be made in Kesko Corporation's B shares and in cash, with approximately 30% of the remuneration paid in shares and the remaining amount paid in cash. The company will acquire the shares from the market 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 are to 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 2024, or on first date enabled by applicable legislation. 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.

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

The Shareholders' Nomination Committee proposes that seven members be elected to the Board of Directors for the one-year term of office determined in Kesko's Articles of Association, starting at the close of the 2024 Annual General Meeting and ending at the close of the 2025 Annual General Meeting. However, if one of the proposed members becomes unavailable prior to the General Meeting,

the maximum number of elected Board members shall be the number of members available.

## **15. Election of the Board members**

The Shareholders' Nomination Committee proposes that the following persons be elected as Board members for the one-year term of office determined in Kesko's Articles of Association, starting at the close of the 2024 Annual General Meeting and ending at the close of the 2025 Annual General Meeting. The following persons are proposed to be re-elected as Board members: Esa Kiiskinen, retailer, business college graduate, kauppaneuvos; Peter Fagernäs, Master of Laws; Jannica Fagerholm, M.Sc. Economics; Piia Karhu, Doctor of Science, Economics and Business Administration; Jussi Perälä, retailer, business college graduate; Timo Ritakallio, Doctor of Science (Technology), LL.M., MBA. Retailer Pauli Jaakola, EMBA, is proposed to be elected as a new member of the Board.

The resumés and independence assessments of all proposed Board members are available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm).

All the persons proposed have consented to being elected as Board members.

With regard to the election procedure for the members of the Board of Directors, the Shareholders' Nomination Committee recommends that shareholders take a position on the proposal as a whole at the General Meeting. This recommendation is based on the fact that Kesko has a Shareholders' Nomination Committee established by a resolution of the General Meeting, compliant with the Finnish Corporate Governance Code and good corporate governance. The Shareholders' Nomination Committee, in addition to ensuring that individual nominees for Board membership are competent, is also responsible for ensuring that the proposed Board of Directors as a whole has the best possible expertise and experience for the company, and that the composition of the Board of Directors meets the requirements for Board diversity and other requirements of the law and the Finnish Corporate Governance Code for listed companies.

## **16. 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 their expenses be paid according to an invoice approved by the company.

## **17. 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 continues until the close of the next Annual General Meeting. Should Deloitte Oy be elected as the company's Auditor, the firm has announced that APA Jukka Vattulainen will continue as the auditor with principal responsibility.

## **18. Resolution on the Authorised Sustainability Auditor's fee**

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

## **19. Election of the Authorised Sustainability Auditor**

Kesko shall issue its first sustainability report in compliance with the EU Corporate Sustainability Reporting Directive (CSRD) and related national law for the 2024 financial year.

The Board proposes to the General Meeting, at the recommendation of the Board's Audit Committee, that the Sustainability Audit Firm Deloitte Oy be elected as the company's Authorised Sustainability Auditor for a term that continues until the close of the next Annual General Meeting. Should Deloitte Oy be elected as the Authorised Sustainability Auditor, the firm has announced that APA, ASA Jukka Vattulainen would act as the Principal Authorised Sustainability Auditor.

## **20. Board proposals for amending Sections 4 and 10 to the Articles of Association, and for adding a new Section 7**

The Annual General Meeting of 30 March 2023 resolved to amend the company's Articles of Association so that the term of office of the members of the company's Board of Directors was changed from three (3) years to one (1) year. The 2023 Annual General Meeting did not remove the mention of a three-year term of office from the Articles of Association, as the Board members at the time had been elected by the 2021 Annual General Meeting, and their three-year term of office had not expired.

As of the 2024 Annual General Meeting, the term of office for the Board members elected is one year. This renders the mention of a three-year term of office in the Articles of Association unnecessary, and thus the Board proposes that the following passage of text be removed from Section 4 of the Articles of Association:

“The term of the Board of Directors' members is three (3) years so that the term begins at the close of the General Meeting electing the members and expires at the close of the third (3rd) subsequent Annual General Meeting.

As of the 2024 Annual General Meeting,”

According to the proposal, Section 4 of the Articles of Association would read as follows:

”§4

Board of Directors

The company has a Board of Directors, which is responsible for company management and the appropriate organisation of operations.

The Board of Directors is formed of at least five (5) but no more than eight (8) members.

The term of Board members elected is one (1) year, so that the term begins at the close of the General Meeting electing the member and expires at the close of the next Annual General Meeting.

The Board of Directors elects a Board Chair from among its members.

The Board of Directors meets at the Board Chair's request. The Board has a quorum when more than a half (1/2) of its members are present. If the votes are evenly divided, the opinion with which the Board Chair agrees shall become the decision.”

The Board furthermore proposes that the content of the current Section 10 of the Articles of Association be updated to reflect the one-year term of office of Board members by removing the words “when needed” when referring to the number and election of Board members. As due to new regulation (EU Corporate Sustainability Reporting Directive, CSRD and related national law) the company must annually elect an authorised sustainability auditor from 2024 onwards, the Board further proposes that a mention of deciding on the fees and election of an authorised sustainability auditor be added to the aforementioned section.

Consequently, the Board also proposes that a new Section 7 be added to the Articles of Association, concerning the authorised sustainability auditor. This would change the numbers for the current sections 7 to 10 of the Articles of Association, making them sections 8 to 11.

According to the proposal, the new Section 7 of the Articles of Association would read as follows:

”7 §

Authorised sustainability auditor

The company’s authorised sustainability auditor shall be an Authorised Sustainability Audit Firm, which shall designate an authorised sustainability auditor as the principal authorised sustainability auditor.

The term of the authorised sustainability auditor is the financial period during which authorised sustainability auditor is elected. The duties of the authorised sustainability auditor terminate at the close of the Annual General meeting next following their election.”

According to the proposal, Section 11 (currently Section 10) of the Articles of Association would read as follows:

“§11

Annual General Meeting

The Annual General Meeting shall be held by the end of June each year.

The following matters shall be on the agenda of the meeting:

Presentation of:

1. the financial statements including the consolidated financial statements, and the annual report,
2. the audit report,

Decisions on:

3. the adoption of the financial statements,
4. the use of the profit shown in the balance sheet,
5. the discharge from liability of the members of the Board of Directors and the Managing Director,
6. the fees and the basis for the reimbursement of expenses to the members of the Board of Directors, the auditor and the authorised sustainability auditor,
7. the number of the Board of Directors' members,

Election of:

8. the members of the Board of Directors,
9. the auditor, and
10. the authorised sustainability auditor.”

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

The Board proposes that the General Meeting authorise the Board to decide on the repurchase of the company's own B 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 shares. This number of shares is equivalent to approximately four (4) percent of all shares in the company. Based on the authorisation, shares may also be repurchased not in proportion to the shareholdings of shareholders (directed repurchase). The shares may be purchased in one or more lots. Shares may be purchased at the price quoted in public trading on the date of acquisition. Shares may also be purchased outside public trading for a price that at maximum corresponds to the market price quoted in public trading at the time of acquisition. Based on the authorisation, the Board may decide to repurchase shares using only the company's non-restricted equity.

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, to implement the company's commitment and incentive schemes, or to be kept by the company, otherwise transferred, or cancelled.

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

The authorisation will be in force until 30 June 2025. The authorisation cancels out the authorisation granted by the General Meeting of 30 March 2023 to the Board of Directors to repurchase a maximum of 16,000,000 of the company's own B series shares, which would have expired on 30 June 2024.

## **22. 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 shall be authorised to make one or more decisions on the issuance of shares, provided that the number of shares thereby issued totals a maximum of 33,000,000 B shares. This number of shares is equivalent to approximately eight (8) percent of all shares in the company.

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

New shares can only be issued against payment. Own 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 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 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 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 is valid until 30 June 2025. It cancels out the authorisation granted by the General Meeting of 30 March 2023 to the Board of Directors to issue a total maximum of 33,000,000 new B shares or B shares held by the company as treasury shares, which would have expired on 30 June 2024.



## **23. Authorising the Board of Directors to decide on donations for charitable purposes**

The Board proposes that the General Meeting resolve to 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 2025, and to decide on the donation recipients, purposes of use, and other terms and conditions of the donations.

## **24. Closing of the meeting**

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

This Notice of General Meeting, containing all resolution proposals on the General Meeting agenda, and the Remuneration Policy for Governing Bodies are available on Kesko Corporation'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 the Remuneration Report will be made available on the website in week 10 at the latest. The resolution proposals and the abovementioned documents will also be made available at the General Meeting, but for environmental reasons, only the agenda will be available to meeting participants as a paper copy. The minutes of the Annual General Meeting will be made available on the aforementioned website on 9 April 2024 at the latest.

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

#### **1. Shareholders in the company's register of shareholders**

Shareholders have the right to attend the General Meeting if they are registered in the company's register of shareholders kept by Euroclear Finland Ltd on the record date of the General Meeting 14 March 2024. Shareholders whose shares are registered on their personal Finnish book-entry account are registered in Kesko's register of shareholders.

Registration for the General Meeting begins on 30 January 2024. A shareholder in the register of shareholders wishing to participate in the General Meeting must register for the meeting by 18 March 2024 by 16.00 EET at the latest, by which time the registration will have to have been received by the company. Meeting registrations can be made:

- a) online at [www.kesko.fi/agm](http://www.kesko.fi/agm) following the instructions provided there
- b) by sending an email to [keskoagm@kesko.fi](mailto:keskoagm@kesko.fi), or
- c) by calling +358 105 323 211 (from Monday to Friday between 9 and 16).

The registration information must include the requested information such as the shareholder's name, date of birth/personal ID/business ID, address and telephone number and a possible assistant's name 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. 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 General Meeting record date 14 March 2024. 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 21 March 2024 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 temporary register of shareholders, submitting their proxy documents and voting instructions, participating in the General Meeting, and advance voting 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, and, if necessary, arrange advance voting on behalf of the holder of nominee-registered shares before the end of the registration period for holders of nominee-registered shares. Additional information can be found on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm).

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

Shareholders can participate in the General Meeting and exercise their rights thereat by way of proxy representation. A proxy representative of a shareholder may also choose to vote in advance in the manner described in this Notice. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate their right to represent the shareholder at the General Meeting.

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.

Possible proxy documents are to be delivered by email to [keskoagm@kesko.fi](mailto:keskoagm@kesko.fi) or by mail to Kesko Corporation/Group Legal Affairs, PO Box 1, FI-00016 Kesko, before the end of the registration period. In addition to providing proxy documents, the shareholder or the proxy representative must register for the General Meeting as detailed in this Notice.

Natural persons may authorise a proxy representative in connection with their electronic registration on the company's website.

Shareholders who are legal persons 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". At the service, the authorised person must identify themselves using strong electronic identification in connection with

their registration, after which the electronic authorisation will be checked automatically. Strong electronic identification can be done using online banking codes or Mobile ID. More information is available on the website [www.suomi.fi/e-authorizations](http://www.suomi.fi/e-authorizations).

#### **4. Advance voting**

Shareholders may vote in advance on certain General Meeting agenda items during the advance voting period 30 January 2024 – 18 March 2024 at 16.00, following the instructions detailed below.

##### **Shareholders registered in the company's register of shareholders**

Shareholders with a Finnish book-entry account may vote in advance on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm).

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

For holders of nominee-registered shares, advance voting takes place through the account operator. The account operator may vote in advance on behalf of the holders of nominee-registered shares it represents based on the voting instructions provided by the shareholders during the registration period set for holders of nominee-registered shares.

##### **Other matters related to advance voting**

If a shareholder has voted in advance, the shareholder cannot request a vote or vote on a potential counter proposal unless the shareholder or their proxy representative attends the General Meeting at the meeting venue. More information on shareholders' right to request information pursuant to Chapter 5, Section 25 of the Finnish Limited Liability Companies Act is available in section C.5.

A proposal for a resolution subject to advance voting shall be deemed to have been presented unchanged at the General Meeting.

If voting is not carried out for an agenda item, the number of votes opposing each agenda item and abstaining from voting based on advance voting and voting instructions provided by holders of nominee-registered shares shall be recorded in the meeting minutes. To the extent opposing votes have been cast in advance voting and voting instructions provided by holders of nominee-registered shares without presenting a counterproposal in items which cannot be effectively opposed without a counterproposal (counterproposals cannot be presented via advance voting), such votes will not technically be considered as opposing votes in a potential vote and will not be recorded in the relevant minutes.

Voting instructions for all shareholders are available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm). Additional information regarding the General Meeting can also be obtained by phone, tel. +358 105 323 211 (Mon-Fri 9-16).

#### **5. Other instructions/information**

The General Meeting is conducted in Finnish. The review by the President and CEO will be made available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm) in Finnish and interpreted in English.

**Right to request information.** Pursuant to Chapter 5, Section 25 of the Finnish Limited Liability Companies Act, a shareholder who is present at the General Meeting has the right to request information pertaining to matters to be discussed at the General Meeting. Shareholders who have the right to participate in the General Meeting, as set out in sections C.1 and C.2, and who have registered for the General Meeting, may submit questions pursuant to Chapter 5, Section 25 of the Limited Liability Companies Act, pertaining to the matters to be dealt with at the General Meeting, until 18 March 2024 by 16.00 EET also by sending the questions by e-mail to [keskoagm@kesko.fi](mailto:keskoagm@kesko.fi). The company's management shall respond to such questions submitted in advance in writing either at the General Meeting or prior to the meeting on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm). When submitting a question, the shareholder must provide sufficient proof of their shareholding, if requested.

**Following the event online.** Registration and other instructions related to following the event online are available on the company's website at [www.kesko.fi/agm](http://www.kesko.fi/agm).

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.

As at the date of this Notice, 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. Thus the combined number of shares is 400,079,008 and the total number of votes is 1,542,611,260. Each A series share carries ten votes and each B series share carries one vote at the General Meeting.

The shareholder, their representative or their proxy representative must be able to provide proof of identity and/or their right to represent the shareholder at the meeting venue if necessary.

The meeting venue is easily accessible with public transportation. Shareholders are kindly asked to note that parking in the facilities in the vicinity of the meeting venue is subject to a charge.

Helsinki 29 January 2024

KESKO CORPORATION  
BOARD OF DIRECTORS

**Further information** is available from Lasse Luukkainen, Group General Counsel, tel. +358 105 322 818.

Kesko Corporation

DISTRIBUTION  
Nasdaq Helsinki Ltd  
Main news media  
[www.kesko.fi](http://www.kesko.fi)