



# RESOLUTIONS OF KESKO CORPORATION'S GENERAL MEETING

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Kesko Corporation's Annual General Meeting today adopted the financial statements for 2017 and discharged the Board members and the Managing Director from liability. The General Meeting resolved to distribute €2.20 per share as dividends. The General Meeting made resolutions regarding the composition of the Board of Directors and remuneration and elected PricewaterhouseCoopers Oy as the Company's auditor. In addition, the General Meeting approved the Board's proposal for its authorisations to acquire own shares and to issue shares.

The General Meeting handled the business specified for the Annual General Meeting in the Articles of Association and the other matters listed below.

## Resolutions of the General Meeting

### Adoption of the financial statements

The General Meeting adopted Kesko Corporation's financial statements and the consolidated financial statements for 2017.

### Distribution of profits

The General Meeting resolved to distribute a dividend of €2.20 per share on 99,520,668 shares held outside the Company at the date of dividend distribution, or a total amount of €218,945,469.60. No dividend is paid on own shares held as treasury shares by the Company at the record date for the payment of dividend. The record date for dividend distribution is 13 April 2018 and the General Meeting resolved that the dividend pay date be 20 April 2018.

### Discharge from liability

The General Meeting discharged the Board members and the Managing Director from liability for the financial year 2017.

### Board of Directors

The General Meeting resolved to change the remuneration structure of Board members so that a portion of the remuneration is paid as shares in the Company. The purpose of the change is to commit the Board members to the long-term development of the Company.

The General Meeting made the following resolutions regarding the remuneration of Kesko Corporation's Board members and the reimbursement of their expenses:

- Board Chairman, an annual remuneration of €97,000,
- Board Deputy Chairman, an annual remuneration of €60,000,
- Board member, an annual remuneration of €45,000,
- Board member who is the Chairman of the Audit Committee, an annual remuneration 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. The 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.

The aforementioned annual remuneration payments will 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 remuneration 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 acquisition or transfer of the shares is carried out as soon as possible after the General Meeting. 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.

The General Meeting resolved that the number of Board members be seven (7).

The General Meeting resolved to elect Jannica Fagerholm (M.Sc. Econ.), Peter Fagernäs (Master of Laws) (new member), Piia Karhu (Doctor of Science, Economics and Business Administration) (new member), retailer Esa Kiiskinen (Business College Graduate), Matti Kyytsönen (M.Sc. Econ.), retailer Matti Naumanen, and retailer Toni Pokela (eMBA) as Board members for a term of three years ending at the close of the 2021 Annual General Meeting, as provided in the Articles of Association.

### **Auditor**

The General Meeting resolved that the Auditor's fee be paid and expenses reimbursed according to invoices approved by the Company. The General Meeting elected PricewaterhouseCoopers Oy, the firm of auditors, as the Company's Auditor. The Auditor with principal responsibility for the Company is APA Mikko Nieminen.

### **Authorisation to acquire own shares**

The General Meeting approved the Board's proposal for its authorisation to decide on the acquisition of a maximum of 1,000,000 of the Company's own B shares. The B shares will be acquired with the Company's distributable unrestricted equity, not in proportion to the shareholdings of shareholders, at the market price quoted in public trading organised by Nasdaq Helsinki Ltd ("the exchange") at the time of acquisition. The shares will be acquired and paid for in accordance with the rules of the exchange. The acquisition of own shares reduces the amount of the Company's distributable unrestricted equity. The B shares will be acquired 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. The Board will make decisions concerning any other matters related to the acquisition of the Company's own B shares. The authorisation will be valid until 30 September 2019.

### **Share issue authorisation**

The General Meeting approved the Board's proposal for its authorisation to decide on the issuance of a maximum of 10,000,000 new B shares. The new shares can only be issued against payment. The new 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 hold A or B shares, or, departing from the shareholder's pre-emptive right, in a directed issue if there is a weighty financial reason for the Company, such as using the shares to develop the Company's capital structure and financing possible acquisitions, capital expenditure or other arrangements within the scope of the Company's business operations. The Board of Directors will decide on the subscription price of the issued shares. The Board will also have the right to issue shares for a non-cash consideration. The subscription price is recognised in the reserve of 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 2021, and it will cancel the authorisation given to the Board by the General Meeting of 13 April 2015 to issue a total maximum of 20,000,000 new B shares, which the Board has not used. The authorisation given to the Board by the Annual General Meeting of 13 April 2015 to issue a total maximum of 20,000,000 new B shares would have ended on 30 June 2018.

The authorisation applied for will not cancel the authorisation given to the Board by the Annual General Meeting of 4 April 2016 to transfer a total maximum of 1,000,000 own B shares held by the Company, which is valid until 30 June 2020.

## Donations for charitable purposes

The General Meeting approved the Board's proposal for its authorisation 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 2019, and to decide on the donation recipients, purposes of use and other terms and conditions of the donations.

The proposals by the Board of Directors, the Board's Audit Committee, and shareholders to the General Meeting were communicated in a stock exchange release on 1 February 2018. The notice of General Meeting was published on Kesko's website and in a stock exchange release on 19 February 2018.

**Further information** is available from Mika Majoinen, EVP, Group General Counsel, tel. +358 105 322 206.

Kesko Corporation

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