

KESKO CORPORATION'S ANNUAL GENERAL MEETING
MINUTES NO. 1/2014

Place	Messukeskus Helsinki's Conference Centre, Messuaukio 1, Helsinki, Finland
Time	7 April 2014 at 13:00–14:47
Participants	Shareholders and representatives of 1,125 shareholders Appendix 1

Board members

Esa Kiiskinen	Chair
Seppo Paatelainen	Deputy Chair
Ilpo Kokkila	
Tomi Korpisaari	
Maarit Näkyvä	
Toni Pokela	
Virpi Tuunainen	

Auditor

Johan Kronberg, APA, the auditor with principal responsibility
Ylva Eriksson, APA

Those present also included members of the company's top management and technical staff.

1. Opening of the meeting

The Board Chair Esa Kiiskinen welcomed the participants and opened the meeting. The Board Chair gave a speech, which is attached to the minutes.

Appendix 2**2. Calling the meeting to order**

Professor Seppo Villa was elected as the Chair of the meeting. The Chair called Vice President, Group General Counsel Anne Leppälä-Nilsson to act as the secretary of the meeting. The Chair explained the confines of the meeting room, the recording of the speeches for ensuring the accuracy of the minutes, and other instructions to the participants. The Chair noted that the items would be handled in the order in which they were listed on the agenda distributed to the participants.

3. Election of persons to scrutinise the minutes and to supervise the counting of votes

It was resolved to elect Ritva Karling and Jyrki Aalto as scrutinisers.

It was resolved to elect Jan Schulman and Heimo Välinen to supervise the counting of votes.

4. Recording the legality of the meeting

The Chair explained the provisions of the Limited Liability Companies Act and the Articles of Association concerning the convocation of the General Meeting and the availability of documents relating to the meeting.

The Chair noted that in accordance with the Articles of Association, the notice of meeting had been published on Kesko Corporation's website on 24 February 2014.

Appendix 3

The Chair noted that Kesko Corporation's financial statements, the report by the Board of Directors and the auditor's report have been available on the company's website since 6 March 2014.

- **It was noted** that the meeting had been properly convened and that it had a quorum.

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

The Chair explained the provisions of the Limited Liability Companies Act and the Articles of Association concerning shareholders' participation rights. The record date of the General Meeting has been 26 March 2014 and the registration has ended on 2 April 2014 at 16:00. Holders of nominee registered shares wishing to participate in the General Meeting had had to temporarily register in the register of the company's shareholders not later than 2 April 2014 at 10:00.

The Chair noted that, at the beginning of the meeting, there was an attendance of 1,125 representatives of shareholders included in the list of votes, representing 170,623,091 votes and 36,161,399 shares. The shares accounted for around 36.1% of all shares and the votes for around 44.2% of all votes.

Appendix 1

The Chair noted that the proxies of Nordea Bank Finland Plc, Skandinaviska Enskilda Banken AB (publ) Helsinki Branch and Svenska Handelsbanken AB (publ), Branch Operation in Finland, representing holders of nominee registered shares, had in advance expressed their opinions about certain items on the General Meeting agenda to the company, and at the same time, had advised that they would not demand a vote on the issues whose draft resolutions they had advised that their clients objected, or on which they had advised that they would abstain from voting.

They would settle with an appropriate record in the minutes at the relevant items, provided that the Chair could reliably ascertain that the majority required in each case was in favour of the draft resolution.

Appendix 4

- **It was noted** that the list of votes as at the beginning of the meeting would be attached to the minutes of the meeting.

6. Review by the President and CEO

President and CEO Matti Halmesmäki gave a review of Kesko Group operations. The slides he presented are attached to these minutes.

Appendix 5

7. Presentation of the 2012 financial statements, the report of the Board of Directors and the auditors' report

Kesko Corporation's 2013 financial statements, report by the Board of Directors and the auditors' report were presented.

Appendixes 6-7

The Chair noted that the original financial statements documents were available at the meeting.

The Chair opened a discussion on the financial statements.

The Board Chair Esa Kiiskinen and President and CEO Matti Halmesmäki answered shareholders' questions.

8. Adoption of the financial statements

The Chair noted that the auditors' report recommended the adoption of the financial statements and the consolidated financial statements.

- **It was resolved** to adopt Kesko Corporation's 2013 financial statements and consolidated financial statements.

9. Distribution of the profits shown on the balance sheet and resolution on the payment of dividend

The Chair explained the Board's proposal for the distribution of profits and the payment of dividend.

- **It was resolved**, in accordance with the Board's proposal for profit distribution, to distribute a dividend of €1.40 per share on shares held outside the company, or a total amount of €138,484,759.

The record date for dividend distribution is 10 April 2014 and the dividend pay date was resolved to be 17 April 2014.

It was recorded that holders of nominee registered shares, representing a total of 10,330 votes and shares, had advised that they would abstain from voting on this item.

10. Resolution on discharging the Board members and the Managing Director from liability

- **It was resolved** that the Board members and the Managing Director are discharged from liability for the financial year 2013.

It was recorded that holders of nominee registered shares holding a total of 81,252 votes and shares had announced their objection to this item.

11. Resolution on the Board members' fees and the basis for reimbursement of expenses

The Chair noted that, as stated in the notice of the General Meeting, shareholders jointly representing over 10% of the votes carried by Kesko Corporation shares had proposed that the Board members' fees be unchanged as follows:

- the Chair of the Board, an annual fee of €80,000
- the Deputy Chair of the Board, an annual fee of €50,000
- a member of the Board, an annual fee of €37,000, and
- a meeting fee of €500 per meeting to a member for a Board meeting and its Committee's meeting, with the exception that the Chair of a Committee who is not the Chair or the Deputy Chair of the Board is paid €1,000 per Committee meeting
- daily allowances are paid and travel expenses are reimbursed in accordance with the general travel rules of Kesko.

A representative of the proposing shareholders repeated the proposal mentioned in the notice of the General Meeting.

The Chair opened the discussion.

The Board Chair Esa Kiiskinen and President and CEO Matti Halmesmäki answered shareholders' questions.

- **It was resolved** that the Board members and Committee members are paid the following annual and meeting fees:

Annual fees:

- the Chair of the Board	€80,000
- the Deputy Chair of the Board	€50,000
- Board member	€37,000

and meeting fees:

- for a Board meeting and its Committee's meeting	€500/meeting
- but for a Committee meeting to a Committee Chair who is not also the Chair or the Deputy Chair of the Board	€1,000/meeting

In addition, it was resolved that daily allowances are paid and travel expenses are reimbursed to Board members and the Board's Committee members in accordance with the general travel rules of Kesko.

12. Resolution on the number of Board members

The Chair noted that, as stated in the notice of the General Meeting, shareholders jointly representing over 10% of the votes carried by Kesko shares had proposed that the number of Board members be resolved to be unchanged at seven (7).

According to the Articles of Association, the Board of Directors is composed of at least five but no more than eight members whose term is three years.

A representative of the proposing shareholders repeated the proposal mentioned in the notice of the General Meeting.

- **It was resolved** to confirm the number of Board members to be seven.

13. Election of the Board members

The Chair noted that according to section 4 of the Articles of Association, the term of a Board of Directors' member is three years so that the term begins at the close of the General Meeting electing the members and expires at the close of the third subsequent Annual General Meeting. The Annual General Meetings of 8 April 2013 and 16 April 2012 resolved the number of Board members as seven. The Annual General Meeting of 16 April 2012 elected seven Board members: Mr. Esa Kiiskinen (Ch.), Mr. Seppo Paatelainen (Deputy Ch.), Mr. Ilpo Kokkila, Mr. Tomi Korpisaari, Ms. Maarit Näkyvä, Mr. Toni Pokela and Ms. Virpi Tuunainen.

The term of a Board member, according to the Articles of Association, is three years, so the terms of the Board elected on 16 April 2012 will expire at the close of the General Annual Meeting of 2015. Therefore, and because it had just been resolved that the number of Board members is seven, Board members are not elected at this General Meeting.

It was recorded that holders of nominee registered shares holding a total of 1,682,521 votes and 1,650,135 shares had announced their objection to this item, and that shareholders holding a total of 9,829,487 votes and 9,703,595 shares had announced that they would abstain from voting on this item.

14. Resolution on the auditor's fee and the basis for reimbursement of expenses

The Chair noted that the Board's Audit Committee had proposed to the General Meeting that the auditor's fee be paid and expenses reimbursed according to invoice approved by the company.

- **It was resolved** that the auditor's fee is paid and expenses are reimbursed according to invoice approved by the company.

It was recorded that holders of nominee registered shares holding a total of 10,330 votes and shares had announced their objection to this item, and that shareholders holding a total of 6,000 votes and shares had announced that they would abstain from voting on this item.

15. Election of the auditor

The Chair noted that the Board's Audit Committee had proposed that the firm of auditors PricewaterhouseCoopers Oy, Authorised Public Accountants, be elected as the company's auditor, who had announced that, if elected, Johan Kronberg, APA, would continue as the auditor with principal responsibility.

- **It was resolved** to elect the firm of auditors PricewaterhouseCoopers Oy as the company's auditor, who had announced that Johan Kronberg, APA, would be the auditor with principal responsibility.

The consent to the election from the firm of auditors was attached to the minutes.

Appendix 8

It was recorded that holders of nominee registered shares jointly holding a total of 207,366 votes and shares had announced their objection to this item, and that shareholders jointly holding 6,000 votes and shares had announced that they would abstain from voting.

16. Donations for charitable purposes

The Chair noted that the Board had proposed that the General Meeting resolve to authorise Kesko Corporation's Board to decide on the donations in a total maximum of €300,000 for charitable or corresponding purposes until the Annual General Meeting to be held in 2015, and to decide on the donation recipients, purposes of use and other terms of the donations.

President and CEO Matti Halmesmäki answered a shareholder's question.

- **It was resolved** to authorise Kesko Corporation's Board to decide on the donations in a total maximum of €300,000 for charitable or corresponding purposes until the Annual General Meeting to be held in 2015, and to decide on the donation recipients, purposes of use and other terms of the donations.

It was recorded that holders of nominee registered shares jointly holding a total of 6,000 votes and shares had announced their objection to this item.

17. Closing of the meeting

The Chair noted that all of the business specified for this meeting had been handled. The minutes of the General Meeting would be made available to shareholders on the company's website on 17 April 2014 at the latest. The Chair thanked the shareholders and the company management and closed the General Meeting.

Seppo Villa
Chair

In fidem

Anne Leppälä-Nilsson
Secretary

The minutes have been confirmed and approved

Scrutiniser
Ritva Karling

Scrutiniser
Jyrki Aalto