

## Tokmanni Group Corporation: Notice to the Annual General Meeting

Notice is given to the shareholders of Tokmanni Group Corporation to the Annual General Meeting to be held on Thursday 7 May 2020 at 10:00 a.m. at the Tokmanni's administration and logistics centre at the address Isolammintie 1, 04600 Mäntsälä, Finland, provided that the number of participants is low enough to allow the Annual General Meeting to be conducted safely and in compliance with the guidelines issued by the Finnish authorities. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 9:00 a.m. There will be no refreshments served or gifts given at the meeting. No transportation is organized to the meeting.

Tokmanni takes the COVID-19 coronavirus epidemic very seriously. Tokmanni urges its shareholders to seriously consider not attending the Annual General Meeting in person, as the meeting can only be held if the number of participants at the meeting venue complies with restrictions for gatherings set by Finnish authorities. Tokmanni shall employ various precautionary measures to be able to hold the meeting and to ensure the safety of the people who must be present at the meeting venue.

Instead of attending the meeting in person, shareholders can authorise Tokmanni's CFO Markku Pirskanen or his designate to represent them at the General Meeting (free of charge). Shareholders can follow the meeting via a live video stream. Shareholders can submit questions to the Company regarding matters to be reviewed at the General Meeting in advance in writing until 30 April 2020 by 10 a.m. EET. The Company shall strive to answer the questions in the presentations held at the General Meeting. The template for a power of attorney and instructions on how to authorise a proxy representative, how to follow the meeting via video stream, and how to submit questions are available on Tokmanni's website at [ir.tokmanni.fi/en/AGM2020](http://ir.tokmanni.fi/en/AGM2020) and below in section C. Instructions for the participants in the Annual General Meeting.

Tokmanni will strive to keep the meeting and the presentations as short as possible, and only necessary matters included on the agenda of this Notice of General Meeting shall be discussed.

### A. MATTERS ON THE AGENDA OF THE ANNUAL GENERAL MEETING

At the Annual General Meeting, the following matters will be considered:

- 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. Presentation of the 2019 annual accounts, the report of the Board of Directors and the auditor's report for the year 2019**  
- Review by the CEO
- 7. Adoption of the annual accounts**

## **8. Resolution on the use of the profit shown on the balance sheet and the payment of dividend**

Contrary to the notice to the Annual General Meeting published on 17 February 2020, the Board of Directors proposes to the Annual General Meeting that based on the adopted balance sheet, a dividend will be paid for the year 2019 on shares held outside the Company at the date of dividend distribution as follows:

- EUR 0.25 per share for shareholders who are registered in the company's shareholders register, maintained by Euroclear Finland, on the record date of the payment of the dividend 11 May 2020. The Board of Directors proposes that the date for the payment of the dividend is 12 June 2020.
- The remaining distributable assets will remain in equity.

The Board of Directors also proposes to the Annual General Meeting that the Annual General Meeting would authorize the Board of Directors to decide at a later stage and in its discretion on a dividend payment in one instalments of a total maximum of EUR 0.37 per share. The authorization would be valid until 31 December 2020. The Company will publish the possible decisions on dividend payment, and simultaneously confirm the dividend record and payment dates. Dividends paid on the basis of this authorization will be paid to shareholders who on the applicable record date for such dividend payment are recorded in the shareholders' register held by Euroclear Finland Oy.

## **9. Resolution on the discharge of the members of the Board of Directors and the CEO from liability**

### **10. Consideration of the Remuneration Policy for governing bodies**

The Board of Directors presents to the Annual General Meeting for advisory approval the Company's Remuneration Policy for the Governing Bodies which is attached to this notice.

### **11. Resolution on the remuneration of the members of the Board of Directors**

The Shareholders' Nomination Board proposes to the Annual General Meeting that the remunerations of the members of the Board of Directors are as follows:

- The Chairman of the Board of Directors will be paid EUR 84,000 as yearly remuneration;
- A member of the Board of Directors will be paid EUR 30,000 as yearly remuneration;

In addition, the Chairman and the members of the Board of Directors will be paid an attendance fee per each meeting of the Board of Directors as follows:

- EUR 1,000 for those members of the Board of Directors who are domiciled in Finland;
- EUR 2,000 for those members of the Board of Directors who are domiciled elsewhere in Europe; and
- EUR 3,000 for those members of the Board of Directors who are domiciled outside Europe.

In addition, the Chairman of the Finance and Audit Committee will be paid EUR 1,000 as monthly remuneration.

The annual remuneration of the members of the Board of Directors is paid in company shares and in cash so that approximately 40% of the annual fee is paid in the company shares and the rest is paid in cash. The company will pay any costs and transfer tax related to the purchase of the company shares. The shares purchased for the Board member cannot be transferred until 3 years have passed from the date of purchase or before the Board member's membership in the Board has ended, whichever is earlier.

Board members' meeting fees and the Chairman of the Finance and Audit Committee's remuneration will be paid in cash.

## **12. Resolution on the number of members of the Board of Directors**

Under the articles of association, the company's Board of Directors must have at least 3 and at most 8 members.

The Shareholders' Nomination Board proposes to the Annual General Meeting that 6 members are elected to the Board of Directors.

## **13. Election of members of the Board of Directors**

The Nomination Board proposes that the current members of the Board of Directors Juha Blomster, Thérèse Cedercreutz, Erkki Järvinen, Seppo Saastamoinen and Harri Sivula will be re-elected.

The Nomination Board proposes that Ulla Lettijeff will be elected as a new members to the Board of Directors.

Ulla Lettijeff (born 1967, M.Sc. Eng.) has started as Director of Helsinki Airport and a member of Finavia's Executive Group as of 6 February 2020. Lettijeff has had a long career at Fiskars Group, working in different managerial positions, most recently leading the Living business unit and before that acting as unit's Supply Chain Director. Before Fiskars Group, Lettijeff worked in several positions at Nokia, for example, as the Director of Nokia Networks's Espoo plant.

All proposed persons have granted their consent to the position. The information relevant considering their service for the Board of Directors is available on Tokmanni Group Corporation's website at [ir.tokmanni.fi/en/AGM2020](http://ir.tokmanni.fi/en/AGM2020).

All proposed persons are independent of the company and its major shareholders except Seppo Saastamoinen who is dependent of the company and its major shareholders.

The Nomination Board propose to the Annual General Meeting that Seppo Saastamoinen is re-elected as the Chairman of the Board of Directors.

## **14. Resolution on the remuneration of the auditor**

The Board of Directors proposes that the auditor is paid remuneration in accordance with a reasonable invoice.

## **15. Election of auditor**

In accordance with the proposal of the Finance and Audit Committee, the Board of Directors proposes that authorised public accountants PricewaterhouseCoopers Oy is elected as the company's auditor. The principal auditor designated by the audit firm would be APA Maria Grönroos. The term of office of the auditor ends at the close of the Annual General Meeting of shareholders following the election of the auditor.

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

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to decide on repurchase or accepting as pledge, using the company's non-restricted equity, a maximum of 2.943.000 own shares, which corresponds to approximately 5% of the company's total shares at the time of convening the meeting. The repurchase may take place in one or more tranches.

The shares shall be repurchased in a proportion other than the shareholders' current shareholdings in the company in public trading arranged by Nasdaq Helsinki Ltd at the trading price of the moment of repurchase. The shares shall be repurchased and paid in accordance with the rules of Nasdaq Helsinki Ltd.

The company may repurchase the shares to execute its incentive program or corporate acquisitions or other business arrangements or investments related to the company's operations, to improve its capital structure, or to be otherwise further transferred, retained by the company or cancelled.

The authorisation is proposed to include the right for the Board of Directors to decide on all other matters related to the repurchase of shares. The authorisation is proposed to be effective until the Annual General Meeting held in 2021, yet no further than until 30 June 2021.

The decision concerning the authorisation requires a qualified majority of at least two thirds of the votes cast and shares represented at the meeting.

## **17. Closing of the meeting**

### **B. DOCUMENTS OF THE ANNUAL GENERAL MEETING**

The aforementioned proposals on the agenda of the Annual General Meeting as well as this notice are available on the Tokmanni Group Corporation's website at [ir.tokmanni.fi/en/AGM2020](http://ir.tokmanni.fi/en/AGM2020). Tokmanni Group Corporation's financial statements, report of the Board of Directors and the auditor's report are available on the said website. The proposals for decisions and the other above-mentioned documents will be available at the Annual General Meeting. In addition, copies of these documents and of this notice will be sent to shareholders upon request. The minutes of the meeting will be available on the above-mentioned website as of 22 May 2020 at the latest.

### **C. INSTRUCTIONS FOR THE PARTICIPANTS IN THE ANNUAL GENERAL MEETING**

#### **1. Shareholders registered in the shareholders' register**

Shareholders who are on 24 April 2020 registered in the company's shareholders' register held by Euroclear Finland Ltd have the right to participate in the Annual General Meeting. Shareholders whose shares are registered on their personal Finnish book-entry accounts are registered in the company's shareholders' register.

Shareholders who are registered in the shareholders' register and want to participate in the Annual General Meeting shall register for the meeting no later than on 30 April 2020 at 10:00 a.m. by giving prior notice of participation, which must be received by the company no later than on the above-mentioned date.

Shareholders must register for the meeting in order to be able to authorise a proxy representative even if the shareholders will not be attending the meeting in person.

Such notice can be given:

- a) on Tokmanni Group Corporation's website [ir.tokmanni.fi/en/AGM2020](http://ir.tokmanni.fi/en/AGM2020)
- b) by telephone, +358 40 198 4396, Monday–Friday 9–16 or
- c) by mail to address Tokmanni Group Corporation, Marjut Aaltonen, Isolammintie 1, 04600 Mäntsälä, Finland.

Shareholders are asked to primarily register online or by phone, as under the current circumstances it will be difficult for the Company to follow incoming mail regularly due to e.g. remote-work recommendations.

In connection with the registration, a shareholder shall notify their name, personal identification number, telephone number and the name of a possible assistant or proxy representative and the personal identification number of a proxy representative. The personal data given to Tokmanni Group Corporation is used only in connection with the Annual General Meeting and with the processing of related registrations.

Registrations submitted to the cancelled Annual General Meeting, convened to be held on 18 March 2020, shall not be valid for this reconvened Annual General Meeting. Therefore, shareholders who had registered for the previous meeting must re-register.

The shareholder, their authorized representative or proxy representative must, where necessary, be able to prove their identity and/or right of representation.

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

A holder of nominee-registered shares has the right to participate in the Annual General Meeting by virtue of such shares based on which they on the record date of the Annual General Meeting, i.e. on 24 April 2020, would be entitled to be registered in the shareholders' register of the company held by Euroclear Finland Ltd. The right to participate in the Annual General Meeting requires, in addition, that the shareholder on the basis of such shares has been registered into the temporary shareholders' register held by Euroclear Finland Ltd at the latest by 4 May 2020 by 10:00 a.m. As regards nominee-registered shares, this constitutes due registration for the Annual General Meeting. Changes in the ownership of the shares that take place after the General Meeting record date do not affect the right to attend the General Meeting or the shareholder's number of votes.

A holder of nominee-registered shares is advised to request without delay necessary instructions regarding the registration in the temporary shareholder's register of the company, the issuing of proxy documents and registration for the Annual General Meeting from their custodian bank. The account management organization of the custodian bank has to register a holder of nominee-registered shares who wants to participate in the Annual General Meeting into the temporary shareholders' register of the company at the latest by the time stated above.

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

Shareholders are requested not to attend the Annual General Meeting in person. Instead, shareholders should exercise their voting rights by voting in advance or by issuing a proxy document via the proxy service offered by the company.

The use of a proxy representative requires that the shareholder registers for the General Meeting in the manner described above even though the shareholder will not be attending the meeting at the meeting venue in person.

Authorising CFO Markku Pirskanen

Instead of coming to the meeting venue in person, shareholders can authorize Tokmanni's CFO Markku Pirskanen or his designate to act as a proxy representative at the General Meeting, with no cost to the shareholder. The template for a power of attorney and instructions on how to authorise a proxy representative and how to provide voting instructions are available on Tokmanni's website at [ir.tokmanni.fi/en/AGM2020](http://ir.tokmanni.fi/en/AGM2020). The power of attorney is to be sent either as an e-mail attachment (PDF or photo) to [ir@tokmanni.fi](mailto:ir@tokmanni.fi), or by regular mail to Tokmanni Group Oyj, Marjut Aaltonen, Isolammintie 1, 04600 Mäntsälä, Finland, before the last date and time for registration 30 April 2020 at 10:00 a.m..

Authorising other proxy representative

Shareholders may participate in the General Meeting and exercise their rights at the meeting also by way of other proxy representation. The proxy representative of a shareholder will have to produce a dated proxy document, or otherwise in a reliable manner demonstrate their right to represent the shareholder. If a shareholder participates in the General Meeting by means of several proxy representatives who represent the shareholder with shares on different securities accounts, the shares with which each proxy representative represents the shareholder are to be identified in connection with the registration. Proxy documents and powers of attorney for authorising a third-party proxy representative should primarily be delivered as an e-mail attachment (PDF or photo) to [ir@tokmanni.fi](mailto:ir@tokmanni.fi), or as a secondary option, by mail to Tokmanni Group Corporation, Marjut Aaltonen, Isolammintie 1, 04600 Mäntsälä, Finland, before the last date and time for registration. The original proxy document should be presented at the Annual General Meeting at the latest, if required.

#### **4. Following the General Meeting via live video stream and/or submitting questions in advance**

Shareholders can follow the Annual General Meeting via a live video stream. Shareholders who follow the meeting online are not recorded in attendance and cannot vote or present questions via the video link.

To access the video stream, one should order a personal video link by 30 April 2020 by 10.00 a.m. EET. Ordering a link requires strong identification using e.g. online banking codes or a mobile certificate. The link is activated for shareholders registered in Tokmanni's register of shareholders on the Annual General Meeting record date 24 April 2020. The Annual General Meeting will be held in Finnish.

Shareholders registered in Tokmanni's register of shareholders on the Annual General Meeting record date 24 April 2020 may submit questions to the Company regarding matters to be reviewed at the General Meeting in advance in writing until 30 April 2020 by 10.00 a.m. EET. Submitting questions requires strong identification using e.g. online banking codes or a mobile certificate. The Company shall strive to answer the questions at the General Meeting.

The instructions links are available on Tokmanni's website at [ir.tokmanni.fi/en/AGM2020](http://ir.tokmanni.fi/en/AGM2020). A shareholder does not need to register for the Annual General Meeting to be able to follow the meeting via video stream or to submit questions.

#### **5. Other instructions and information**

The Board of Directors urges shareholders to avoid attending the Annual General Meeting at the Tokmanni's administration and logistics centre in person.

The following special precautions will be taken at the AGM in the interests of the health and safety of the company's shareholders and employees:

- The AGM and all of the presentations, including the CEO's review, will be kept short and only to the extent necessary to satisfy the minimum requirements.
- The participation by the company's Board of Directors and management will be minimised.
- The number of participants will be restricted to enable compliance with the guidelines issued by the authorities.
- No refreshments served or gifts given at the meeting. No transportation is organized to the meeting.

The template for a power of attorney and instructions on how to authorise a proxy representative, how to follow the meeting via video stream, and how to submit questions are available on Tokmanni's website at [ir.tokmanni.fi/en/AGM2020](http://ir.tokmanni.fi/en/AGM2020).

Pursuant to Chapter 5 Section 25 of the Limited Liability Companies Act, a shareholder who is present at the Annual General Meeting has the right to request information with respect to the matters to be considered at the meeting.

On the date of this notice to the Annual General Meeting 15 April 2020, the total number of shares in Tokmanni Group Corporation, and votes represented by such shares, is 58,868,752.

Helsinki 15 April 2020

Tokmanni Group Corporation

Board of Directors

## ANNEXES

Annex 1: Remuneration Policy

Annex 2: Power of attorney

### For more information

Maarit Mikkonen, Head of IR and Communications, tel. +358 40 562 2282

Marjut Aaltonen, Executive Assistant, tel. +358 400 836 413

### Tokmanni in brief

Tokmanni is the largest general discount retailer in Finland measured by number of stores and revenue. In 2019, Tokmanni's revenue was EUR 944.3 million and it had approximately 3,700 employees. Tokmanni is the only nationwide general discount retailer in Finland, with almost 200 stores across Finland.

### Distribution

Nasdaq Helsinki

Key Media