

## Annual General Meeting of Citycon Oyj

**Time:** 20 March 2018 at 12:00 noon

**Place:** Finlandia Hall (Veranda 4 hall), Mannerheimintie 13, Helsinki, Finland

**Present:** The shareholders set out in the list of votes (**Appendix 1**) adopted at the meeting were present at the meeting, in person or represented.

Present at the meeting were, in addition, Board members Bernd Knobloch, Arnold de Haan, Kirsi Komi, Per-Anders Ovin and Ariella Zochovitzky, the Board member candidate Ofer Stark, the company's CEO Marcel Kokkeel, the auditor with principal responsibility Mikko Rytlahti appointed by the company's auditing firm, senior executives of the company as well as technical personnel.

Board Chairman Chaim Katzman as well as members Rachel Lavine, David Lukes, Andrea Orlandi and Claes Ottosson were absent.

### 1 §

#### Opening of the meeting

The Deputy Chairman of the Board, Mr. Bernd Knobloch opened the meeting.

### 2 §

#### Calling the meeting to order

Mr. Mikko Heinonen, Attorney-at-Law, was elected Chairman of the General Meeting and he called Ms. Anu Tuomola, General Counsel, to act as secretary.

The Chairman explained the procedures for considering the items on the agenda of the meeting.

It was recorded that the meeting was conducted in Finnish and simultaneous interpreted in English. It was further stated that the presentations of the CEO and CFO were video recorded.

The Chairman noted that certain shareholders had provided the company with voting instructions prior to the meeting and gave a description of the voting instructions that these shareholders had provided.

Summary lists of the voting instructions of the above-mentioned shareholders were attached to the minutes (**Appendix 2**).

### 3 §

#### Election of persons to scrutinize the minutes and to supervise the counting of votes

Mr. Aleksi Harju was elected to scrutinize the minutes.

Ms. Hanna-Leena Holmberg and Mr. Kaarlo Kurvinen were elected to supervise the counting of votes.

4 §

**Recording the legality of the meeting**

It was recorded that the notice to the meeting had been published on the company's website and as a stock exchange release on 23 February 2018.

It was recorded that the General Meeting had been convened in accordance with the articles of association and the Finnish Companies Act and that the meeting therefore constituted a quorum.

The notice to the meeting was attached to the minutes (**Appendix 3**).

5 §

**Recording the attendance and adopting the list of votes**

The list recording the attendance at the beginning of the meeting and the corresponding list of votes, according to which 400 shareholders were present either in person, by statutory representative or by proxy, was presented (**Appendix 1**). 741,079,110 shares and votes were represented at the meeting when it began.

It was recorded that the list of votes would be adjusted to correspond to the attendance at the beginning of a possible vote.

6 §

**Presentation of the financial statements and the report of the Board of Directors for the year 2017**

The CEO of the company Mr. Marcel Kokkeel gave a presentation on the company's activities in 2017.

The CFO of the company Mr. Eero Sihvonen presented the financial statements for the financial year 1 January – 31 December 2017 and the report by the Board of Directors.

It was recorded that the financial statements had been available on the company's website prior to the meeting for the period required by the Finnish Companies Act.

The financial statements were attached to the minutes (**Appendix 4**).

7 §

**Presentation of the auditor's report**

Mr. Mikko Ryttilahti, the company's auditor with principal responsibility presented the auditor's report.

It was recorded that the auditor's report had been available on the company's website prior to the meeting for the period required by the Finnish Companies Act.

The auditor's report was attached to the minutes (**Appendix 5**).

**8 §**

**Adoption of the financial statements**

The General Meeting adopted the financial statements, including the consolidated financial statements, for the financial year 1 January – 31 December 2017.

**9 §**

**Resolution on the use of the profit shown on the balance sheet as well as authorisation of the Board of Directors to decide on the distribution of dividend and assets from the invested unrestricted equity fund**

It was recorded that the Board of Directors had proposed to the General Meeting that based on the balance sheet to be adopted for the financial period ended on 31 December 2017, no dividend be distributed by a resolution of the Annual General Meeting and further that the Board of Directors be authorised to decide in its discretion on the distribution of dividend and assets from the invested unrestricted equity fund in accordance with the proposal attached to the minutes (**Appendix 6**).

The General Meeting decided in accordance with the proposal of the Board of Directors that based on the balance sheet to be adopted for the financial period ended on 31 December 2017 no dividend be distributed by a resolution of the Annual General Meeting and further that the Board of Directors be authorised to decide in its discretion on the distribution of dividend and assets from the invested unrestricted equity fund in the manner set forth below:

Based on the authorisation, the maximum amount of dividend to be distributed shall not exceed EUR 0.01 per share and the maximum amount of equity repayment distributed from the invested unrestricted equity fund shall not exceed EUR 0.12 per share.

The authorisation is valid until the opening of the next Annual General Meeting.

Unless the Board of Directors decides otherwise for a justified reason, the authorisation will be used to distribute dividend and/or equity repayment four times during the period of validity of the authorisation. In this case, the Board of Directors will make separate resolutions on each distribution of the dividend and/or equity repayment so that the preliminary record and payment dates will be as stated below. Citycon shall make separate announcements of such Board resolutions.

<b>Preliminary payment date</b>	<b>Preliminary record date</b>
29 March 2018	22 March 2018
29 June 2018	21 June 2018
28 September 2018	20 September 2018
28 December 2018	14 December 2018

The dividend and/or equity repayment based on the resolution of the Board of Directors will be paid to a shareholder registered in the company's shareholders' register maintained by Euroclear Finland Ltd on the record date of the dividend and/or equity repayment.

**10 §**

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

The General Meeting decided to discharge the members of the Board of Directors and the CEO from liability for the financial year 1 January – 31 December 2017.

**11 §**

**Resolution on the remuneration of the members of the Board of Directors**

It was recorded that Board of Directors had proposed to the General Meeting on the recommendation of the Nomination and Remuneration Committee that duly elected members of the Board of Directors be paid remuneration in accordance with the proposal attached to the minutes (**Appendix 6**).

The General Meeting decided in accordance with the proposal of the Board of Directors that the Chairman of the Board of Directors be paid an annual fee of EUR 160,000, the Deputy Chairmen EUR 70,000 and the ordinary members of the Board EUR 50,000. The Chairmen of the Board of Directors' Committees will be paid an additional annual fee of EUR 5,000.

Furthermore, the General Meeting decided in accordance with the proposal of the Board of Directors that the Chairmen of the meetings of the Board's Committees be paid a meeting fee of EUR 800 and other Board and Committee members EUR 600 per meeting, with the exception of the Chairman of the Board, who shall be paid no meeting fees. The members of the Board of Directors will be compensated for accrued travel and lodging expenses as well as other potential costs related to Board and Committee work.

It was recorded that a Board member has the possibility to choose not to accept any annual fees and/or meeting fees.

**12 §**

**Resolution on the number of members of the Board of Directors**

It was recorded that according to article 4 of the articles of association the number of members of the Board of Directors shall be no less than five (5) and no more than ten (10).

It was recorded that Board of Directors had proposed to the General Meeting on the recommendation of the Nomination and Remuneration Committee that the number of members of the Board of Directors shall be nine (9) in accordance with the proposal attached to the minutes (**Appendix 6**).

The General Meeting decided in accordance with the proposal of the Board of Directors that the number of members of the Board of Directors shall be nine (9).

**13 §**

**Election of the members of the Board of Directors**

It was recorded that according to article 4 of the articles of association the term of office of the members of the Board of Directors shall expire at the close of the Annual General Meeting following their election.

It was recorded that the Board of Directors had proposed to the General Meeting on the recommendation of the Nomination and Remuneration Committee that, for a term of office expiring at the close of the next Annual General Meeting, the Board members would be elected in accordance with the proposal attached to the minutes (**Appendix 6**).

It was recorded that all the Board member candidates had given their consent to the election.

The General Meeting decided in accordance with the proposal of the Board of Directors that the following individuals shall be re-elected members of the Board of Directors for a term of office expiring at the close of the next Annual General Meeting:

Mr. Chaim Katzman,  
Mr. Bernd Knobloch,  
Mr. Arnold de Haan,  
Ms. Kirsi Komi,  
Mr. David Lukes,  
Mr. Andrea Orlandi,  
Mr. Per-Anders Ovin, and  
Ms. Ariella Zochovitzky.

In addition, the General Meeting decided in accordance with the proposal of the Board of Directors that Mr. Ofer Stark be elected as a new member of the Board of Directors for a term of office expiring at the close of the next Annual General Meeting.

#### 14 §

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

It was recorded that the Board of Directors had proposed to the General Meeting on the recommendation of the Audit and Governance Committee that the audit fee shall be paid according to the auditor's invoice approved by the company in accordance with the proposal attached to the minutes (**Appendix 6**).

The General Meeting decided in accordance with the proposal of the Board of Directors that the remuneration to the auditor to be elected shall be paid in accordance with the auditor's invoice approved by the company.

#### 15 §

##### **Election of the auditor**

It was recorded that according to the articles of association the company has one (1) auditor who must be a firm of authorised public accountants. The term of office of the auditor shall expire at the close of the next Annual General Meeting after the election.

It was recorded that the Board of Directors had proposed to the General Meeting on the recommendation of the Audit and Governance Committee that Ernst & Young Oy, a firm of authorised public accountants, be re-elected as the auditor of the company in accordance with the proposal attached to the minutes (**Appendix 6**). Ernst & Young Oy has announced that APA Mikko Ryttilahti will act as the auditor with principal responsibility.

It was recorded that the proposed auditor had given its consent to the election.

The General Meeting decided in accordance with the proposal of the Board of Directors that Ernst & Young Oy, a firm of authorised public accountants, be re-elected as the auditor of the company for a term of office expiring at the close of the next Annual General Meeting.

#### 16 §

##### **Amending the Articles of Association**

It was recorded that the Board of Directors had proposed to the General Meeting to amend the Articles of Association in accordance with the proposal attached to the minutes (**Appendix 6**) to reflect the new Auditing Act and the needs of Citycon Oyj's Nordic business.

It was recorded that during the discussion on the agenda item, shareholder Jarmo Alanen (voting ticket no. 136) announced his opposition to the proposal made by the Board of Directors to the General Meeting regarding the amendment proposed to be made to Article 11 of the company's Articles of Association and proposed that the wording of Article 11 remain in its current form so that the General Meeting could also be held in Espoo in addition to the company's registered office and demanded a vote on the agenda item. In other respects, shareholder Alanen did not oppose to the proposal of the Board of Directors for the amendment of the Articles of Association. In addition, shareholder Heimo Levamo (voting ticket no. 119) as well as certain other shareholders announced their support for the counter-proposal made by Alanen and demanded that a vote be carried out on the agenda item.

It was noted that one counter-proposal had been made on the agenda item. It was noted that in the matter discussed under this agenda item, the proposal that has had the support of at least two thirds of the votes cast and the shares represented at the General Meeting shall become, pursuant to the Finnish Companies Act, the decision of the General Meeting. It was decided that a full counting of votes will be conducted on this agenda item in such manner that

- shareholders who support the proposal of the Board of Directors for the amendment of the Articles of Association shall submit an A1 voting ticket marked with the word "Yes",
- shareholders who support the counter-proposal made by the shareholders to the General Meeting shall submit an A1 voting ticket marked with the word "No", and
- shareholders who wish to abstain from voting may submit an empty A1 voting ticket.

It was recorded that a total of 740,582,890 shares and votes were represented at the General Meeting in connection with the discussion of this agenda item. A total of 371 shareholders were represented. An updated list of votes corresponding to the discussion on this agenda item was included as an Appendix to the Minutes (**Appendix 7**).

After explaining the voting procedure, the Chairman of the General Meeting inquired the position of the company's largest shareholders on the agenda item under discussion. Representatives of Gazit-Globe Ltd and CPP Investment Board Europe S.á r.l. informed that Gazit-Globe Ltd (representing 401,753,185 shares and votes) and CPP Investment Board Europe S.á r.l. (representing 133,498,893 shares and votes), respectively, supported the proposal of the Board of Directors for the amendment of the Articles of Association in accordance with Appendix 6 of the Minutes, wherefore a qualified majority pursuant to the Finnish Companies Act, as required under the agenda item, was in support of the proposal of the Board of Directors for the amendment of the Articles of the Association. It was noted that the decision of the General Meeting on this agenda item had thus been resolved and the General Meeting could be continued with the other items pursuant to the agenda. The exact result of the full calculation of votes carried out regarding this agenda item as well as the distribution of votes would appear from the Minutes of the General Meeting and the voting result appended thereto.

In the voting, a total of 739,431,743 votes were cast, representing approximately 83.1 per cent of the votes carried by all the shares in the company. A total of 740,582,890 shares were represented in the voting carried out on this agenda item, representing approximately 83.2 per cent of all the shares in the company. A total of 1,151,147 shares abstained from the voting regarding this agenda item.

In the voting carried out on the agenda item, a total of 738,167,268 votes cast and shares represented at the meeting, representing approximately 99.8 per cent of all the votes cast on the agenda item and approximately 99.7 per cent of all the shares represented at the

General Meeting (a total of 33 voting tickets), supported the proposal of the Board of Directors for the amendment of the Articles of Association. A total of 1,264,475 votes cast and shares represented at the meeting, representing approximately 0.2 per cent of all the votes cast on the agenda item and shares represented at the meeting (a total of 51 voting tickets), supported the counter-proposal made to the General Meeting. The voting result was appended to the Minutes (**Appendix 8**).

The General Meeting decided in accordance with the proposal of the Board of Directors to amend the Articles of Association, and especially Articles 2, 4, 8, 9 and 11 of the Articles of Association in the manner described below.

It was decided to amend the Article 2 of the Articles of Association to read as follows:

2 § The Company is engaged in buying, selling, owning and managing real estate, buildings, premises or any parts thereof as well as shares and interests in companies entitling to the above-mentioned. The Company is also engaged in leasing and developing of real estate, buildings and premises as well as providing management and management related services for real estate, buildings and premises. The Company can also engage in other operations related to the business operations specified in this section.

It was decided to make following amendments to the Articles 8 and 9 of the Articles of Association:

8 § The General Meeting shall elect one (1) auditor to examine the administration and accounts of the Company. The auditor shall be an authorised audit firm.

9 § The Company's Annual General Meeting shall be held annually within six (6) months of the expiration of the financial period on a date determined by the Board of Directors.

It was decided to make following additions to Articles 4 and 11 of the Articles of Association:

4 § Such Committees prepare designated items for the Board of Directors and resolve on operative matters as may be instructed by the Board of Directors from time to time.

11 § The General Meetings may be held, in addition to the Company's domicile Helsinki, in Espoo (Finland), Stockholm (Sweden), Oslo (Norway) or Copenhagen (Denmark) as may be resolved by the Board of Directors.

Otherwise, it was decided to make the linguistic corrections to the Articles of Association as proposed by the Board of Directors.

## **17 §**

### **Authorising the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares**

It was recorded that the Board of Directors had proposed to the General Meeting that the Board of Directors be authorised to decide on the issuance of shares as well as the issuance of special rights entitling to shares referred to in chapter 10, section 1 of the Finnish Companies Act by one or several decisions in accordance with the proposal attached to the minutes (**Appendix 6**).

The General Meeting decided in accordance with the proposal of the Board of Directors that the Board of Directors be authorised to decide on the issuance of shares as well as the issuance of special rights entitling to shares referred to in chapter 10, section 1 of the Finnish Companies Act by one or several decisions in the manner described below:

The number of shares to be issued shall not exceed 85,000,000 shares, which corresponds to approximately 9.55 percent of all the current shares in the company. Shares potentially issued by virtue of the special rights entitling to shares are included in the aforesaid maximum number of shares.

The Board of Directors decides on all the conditions of the issuance of shares and special rights entitling to shares. The authorisation concerns both the issuance of new shares as well as the transfer of own shares held by the company. The issuance of shares and special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights by way of a directed issue.

The authorisation is valid until the close of next Annual General Meeting, however, no longer than until 30 June 2019.

It was recorded that 4,428,093 opposing votes of shareholders had been notified under this agenda item.

#### **18 §**

##### **Authorising the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of the company's own shares**

It was recorded that the Board of Directors had proposed to the General Meeting that the Board of Directors be authorised to decide on the repurchase and/or on the acceptance as pledge of the company's own shares in one or several tranches in accordance with the proposal attached to the minutes (**Appendix 6**).

The General Meeting decided in accordance with the proposal of the Board of Directors that the Board of Directors be authorised to decide on the repurchase and/or on the acceptance as pledge of the company's own shares in one or several tranches as follows:

The number of own shares to be repurchased and/or accepted as pledge shall not exceed 50,000,000 shares, which corresponds to approximately 5.61 per cent of all the current shares in the company. Only the unrestricted equity of the company can be used to repurchase own shares on the basis of the authorisation.

Own shares can be repurchased at a price formed in public trading on the date of the repurchase or at a price otherwise formed on the market.

The Board of Directors decides how own shares will be repurchased and/or accepted as pledge. Own shares can be repurchased for instance by using derivatives. Own shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase).

The authorisation is valid until the close of next Annual General Meeting, however, no longer than until 30 June 2019.

#### **19 §**

##### **Closing of the meeting**

It was recorded that all decisions of the General Meeting were unanimous unless otherwise indicated in the minutes.

The Chairman stated that all items on the agenda had been considered and that the minutes of the meeting would be available on the company's website as from 3 April 2018 at the latest.



The Chairman closed the meeting at 1:45 p.m.

Chairman of the General Meeting:

Mikko Heinonen

In fidem:

Anu Tuomola

Minutes reviewed and approved:

Aleksi Harju

**Appendices**

<b>Appendix 1</b>	List of votes
<b>Appendix 2</b>	Summary lists of the voting instructions of nominee registered and other shareholders delivered to the company
<b>Appendix 3</b>	Notice to the General Meeting
<b>Appendix 4</b>	Financial statements
<b>Appendix 5</b>	Auditor's report
<b>Appendix 6</b>	Proposals by the Board of Directors to the General Meeting
<b>Appendix 7</b>	Updated list of votes
<b>Appendix 8</b>	Voting results