

## Annual General Meeting of Citycon Oyj

**Time:** 22 March 2017 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, Claes Ottosson, Per-Anders Ovin and Ariella Zochovitzky, the Board member candidate David R. Lukes, the company's CEO Marcel Kokkeel, the auditor with principal responsibility Mikko Ryttilahti 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, Andrea Orlandi and Dor J. Segal 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. Manne Airaksinen, 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.

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. Kim Kanerva was elected to scrutinize the minutes.

Mr. Juha Muurinen and Mr. Tony Lindman 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 9 February 2017.

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 461 shareholders were present either in person, by statutory representative or by proxy, was presented (**Appendix 1**). 765,345,139 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 2016**

The CEO of the company Mr. Marcel Kokkeel gave a presentation on the company's activities in 2016.

The CFO of the company Mr. Eero Sihvonen presented the financial statements for the financial year 1 January – 31 December 2016 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 2016.

It was recorded that 1,014,427 abstaining votes of shareholders had been notified under this agenda item.

9 §

**Resolution on the use of the profit shown on the balance sheet as well as authorization 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 2016 no dividend be distributed by a resolution of the Annual General Meeting and further that the Board of Directors be authorized 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 2016 no dividend be distributed by a resolution of the Annual General Meeting and further that the Board of Directors be authorized to decide in its discretion on the distribution of dividend and assets from the invested unrestricted equity fund as follows:

Based on this authorization 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 authorization is valid until the opening of the next Annual General Meeting.

Unless the Board of Directors decides otherwise for a justified reason, the authorization will be used to distribute dividend and/or equity repayment four times during the period of validity of the authorization. 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.

Preliminary payment date	Preliminary record date
31 March 2017	24 March 2017
30 June 2017	22 June 2017
29 September 2017	22 September 2017
29 December 2017	14 December 2017

The dividend and/or equity repayment based on a 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 for the dividend and/or equity repayment.

It was recorded that 412,533 opposing votes and 470,263 abstaining votes of shareholders had been notified under this agenda item.

**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 2016.

It was recorded that 1,178,335 opposing votes and 61,788 abstaining votes of shareholders had been notified under this agenda item.

**11 §**

**Resolution on the remuneration of 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. The Chairman of the Board shall be paid no meeting fees. The members of the Board of Directors will be compensated 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.

It was recorded that 412,533 opposing votes of shareholders had been notified under this agenda item.

**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 ten (10) 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 ten (10).

It was recorded that 6,180 opposing votes of shareholders had been notified under this agenda item.

**13 §**

**Election of 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,  
Ms. Rachel Lavine,  
Mr. Andrea Orlandi,  
Mr. Claes Ottosson,  
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. David R. Lukes shall 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.

It was recorded that 25,384,832 abstaining votes of shareholders had been notified under this agenda item.

**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 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 according to the auditor's invoice.

It was recorded that 882,796 opposing votes and 6,180 abstaining votes of shareholders had been notified under this agenda item.

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 authorized 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 authorized 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 Mr. Mikko Ryttilahti, APA 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 authorized 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 §

**Authorizing 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 authorized 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 authorized 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 as follows:

The amount 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 authorization 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 authorization is valid until the close of next Annual General Meeting, however, no longer than until 30 June 2018.

It was recorded that 11,583,992 opposing votes of shareholders had been notified under this agenda item.

**17 §**

**Authorizing 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 authorized 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 authorized 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 amount 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 authorization.

Own shares can be repurchased at a price formed in public trading on the date of the repurchase or otherwise at a price 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 using, inter alia, derivatives. Own shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase).

The authorization is valid until the close of next Annual General Meeting, however, no longer than until 30 June 2018.

It was recorded that 6,180 abstaining votes of shareholders had been notified under this agenda item.

**18 §**

**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 5 April 2017 at the latest.

The Chairman closed the meeting at 1:56 p.m.

*[Signature page to follow]*

Chairman of the General Meeting:

MANNE AIRAKSINEN  
Manne Airaksinen

In fidem:

ANU TUOMOLA  
Anu Tuomola

Minutes reviewed and approved:

KIM KANERVA  
Kim Kanerva



**Appendices**

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| <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   |