



Proposals by Shareholders' Nomination Board of Fortum to the 2022 Annual General Meeting – the planned AGM date changed

FORTUM CORPORATION STOCK EXCHANGE RELEASE 26 JANUARY 2022 9:00 EET

Release category: Other information disclosed according to the rules of the Exchange

The Shareholders' Nomination Board of Fortum has submitted its proposals to the 2022 Annual General Meeting to Fortum's Board of Directors. The Annual General Meeting is planned to be held on Monday 28 March 2022.

Members of the Board of Directors

The Shareholders' Nomination Board proposes to the Annual General Meeting 2022 that the Board of Directors consist of nine (9) members (previously seven), the Chair and the Deputy Chair included. The Shareholders' Nomination Board proposes that the following persons be elected to the Board of Directors for a term ending at the end of the Annual General Meeting 2023.

Proposed to be re-elected as members:

Luisa Delgado,
Essimari Kairisto,
Anja McAlister,
Teppo Paavola,
Veli-Matti Reinikkala,
Philipp Rösler, and
Annette Stube.

Proposed to be elected as new members:

Ralf Christian and
Kimmo Viertola.

Veli-Matti Reinikkala is proposed to be elected as Chair and Anja McAlister as Deputy Chair of the Board of Directors.

All candidates have consented to the appointment and all are independent of the company and its significant shareholders, with the exception of Kimmo Viertola, who is non-independent of the company's significant shareholder (the State of Finland).

"In accordance with the Government Resolution on State Ownership Policy, the state will continue to pursue a long-term, dynamic ownership policy that protects the state's strategic interests.

Fortum is one of the most significant companies in the state's investment portfolio, in terms of market capitalisation, profit distribution and social impact, and from the state's perspective the

company has a strategic interest. Our experience in influencing the board work in Anora, Finnair and SSAB, among others, is positive and we will now continue the same line of work at Fortum. Fortum is going through a significant strategic transformation process and we believe that active board work enables the state to better support the company in the implementation of its strategy,” says **Maija Strandberg**, Senior Ministerial Adviser, Financial Affairs, Prime Minister’s Office, Government Ownership Steering Department.

Remuneration of the Board of Directors

The Shareholders’ Nomination Board proposes to the Annual General Meeting 2022 that, in line with the earlier decision in principle to increase the remuneration, the annual fee of the Chair, Deputy Chair and other members of the Board of Directors be changed as follows:

- Chair: EUR 88,800 (previously 77,200)/year
- Deputy Chair: EUR 63,300 (57,500)/year
- Members: EUR 43,100 (40,400)/year
- Chair of the Audit and Risk Committee: EUR 63,300 (57,500)/year, in case that he/she does not simultaneously act as Chair or Deputy Chair of the Board.

In addition to the aforementioned annual fee, it is proposed as a new element to pay fixed fees for the Committee work as follows:

- Member of the Audit and Risk Committee: EUR 3,000/year
- Chair of the Nomination and Remuneration Committee: EUR 5,000/year
- Member of the Nomination and Remuneration Committee: EUR 2,000/year
- Chair of any additional Committee established by a Board decision: EUR 5,000/year
- Member of any additional Committee established by a Board decision: EUR 2,000/year.

In addition, the Shareholders’ Nomination Board proposes that the meeting fee payable to a Board member, also for the Committee meetings, be EUR 800 (600) for each meeting, or EUR 1,600 (1,200/1,800) in case the member travels to the meeting outside his/her country of residence. When a member participates in the meeting via remote connection, or for the decisions that are confirmed without convening a meeting, the meeting fee be EUR 800 (600). The travel expenses of Board members are compensated in accordance with the company’s travel policy.

Further, the Shareholders’ Nomination Board proposes as a new element that the annual fee for the Board work of the Board members be paid in company shares and in cash in such a way that approximately 40% of the amount of the annual fee be payable in shares acquired on behalf and in the name of the Board members, and the remainder in cash. The company will pay the costs and the transfer tax related to the purchase of the company shares.

The shares will be acquired on behalf and in the name of the Board members within two weeks following the publication of the company’s first quarter 2022 interim report. If share purchases cannot be carried out within the aforementioned schedule due to a reason related to the company or a Board member, the shares will be acquired later, or the annual fee will be paid fully in cash. The meeting fees and the fixed fees for the Committee work are proposed to be paid fully in cash.

The Shareholders’ Nomination Board notes that the current proposal for the remuneration is part of the implementation of the decision in principle taken in the spring of 2021, according to which the remuneration of the Board members will be brought to the market level as part of a long-term programme to increase the remuneration.

“Only minor adjustments have been made to the remuneration of Fortum’s Board of Directors during the past ten years. At the same time, Fortum has become one of the largest energy companies in Europe. A year ago, the Finnish state agreed to support unanimous proposals by the nomination boards at annual general meetings starting from this spring. This allows us to strengthen good corporate governance and to pursue favourable development of the state’s holdings in a sustainable way,” Maija Strandberg continues.

Members of the Shareholders’ Nomination Board

Kimmo Viertola, Director General, Prime Minister's Office, Ownership Steering Department, acted as the Chair of the Shareholders’ Nomination Board until 24 January 2022 and Maija Strandberg, Senior Ministerial Adviser, Financial Affairs, Prime Minister’s Office, Ownership Steering Department, as of 25 January 2022. The members of the Shareholders’ Nomination Board were Jouko Pölönen, President and CEO of Ilmarinen Mutual Pension Insurance Company, Risto Murto, President and CEO of Varma Mutual Pension Insurance Company, and the Chair of Fortum's Board of Directors Veli-Matti Reinikkala. Veli-Matti Reinikkala did not take part in the decision-making on the proposal regarding the Chair of the Board of Directors or the remuneration of the Board of Directors. Kimmo Viertola was no longer a member of the Shareholders’ Nomination Board and did not take part in the decision-making on the proposal regarding the members of the Board of Directors or the remuneration of the Board of Directors.

The planned date of the Annual General Meeting 2022 changed

The Board of Directors of Fortum has decided to change the planned date of the Annual General Meeting 2022. The AGM was planned to be held on Tuesday 5 April 2022. The new planned date is Monday 28 March 2022. The dates related to a possible dividend will change accordingly, as follows:

- The ex-dividend date: 29 March 2022,
- The record date for dividend payment: 30 March 2022, and
- The dividend payment date: 6 April 2022.

The Notice to the Annual General Meeting 2022 will be published later.

Fortum Corporation

Ingela Ulfves, Vice President, Investor Relations and Financial Communications

Additional information:

Maija Strandberg, Chair of the Shareholders’ Nomination Board of Fortum, tel. +358 50 407 8423

CVs of the proposed new Board members are attached to this release.

Distribution:

Nasdaq Helsinki
Main media
www.fortum.com

Fortum

Fortum is a European energy company with activities in more than 40 countries. We provide our customers with electricity, gas, heating and cooling as well as smart solutions to improve resource efficiency. Together with our subsidiary Uniper, we are the third largest producer of CO₂-free electricity in Europe. Close to 20,000 professionals and a combined balance sheet of

approximately EUR 60 billion, we have the scale, competence and resources to grow and to drive the energy transition forward. Fortum's share is listed on Nasdaq Helsinki and Uniper's share on the Frankfurt Stock Exchange. www.fortum.com