



## Fortum commences the 2020-2022 incentive plan as part of its ongoing long-term incentive programme

FORTUM CORPORATION INVESTOR NEWS 19 DECEMBER 2019 AT 13.20 EET

The Board of Directors of Fortum Corporation has decided to commence the 2020-2022 long-term incentive (LTI) plan for key employees and executives. The Board of Directors also decided to update the terms and conditions of the LTI programme, valid for the plans commencing as of the beginning of 2020, to include more precise malus and clawback clauses. The 2020-2022 LTI plan is part of Fortum's ongoing LTI programme and otherwise follows the same principles as the previous plan.

The performance measures applied to the 2020-2022 LTI plan will be based on the total shareholder return measured relative to the peer group comprising selected European utility companies and, as a new performance measure, total CO<sub>2</sub> emissions in energy production. The rewards related to the 2020-2022 LTI plan will be paid in the spring 2023, assuming that the performance targets are achieved.

The 2020-2022 LTI plan will comprise approximately 140 participants, including the members of Fortum Executive Management.

The Board of Directors also decided to establish a Restricted Share (RS) programme as a supplement to the LTI programme and reserve shares that potentially will be allocated under the 2020-2022 RS plan. The RS programme will follow the main terms and conditions of the general LTI programme with the exception that the allocated shares will be delivered after the three-year plan period independent of performance measures, subject to continued employment. The RS programme is designed for special purposes defined by the Board of Directors, such as retention. Commencement of any new plan will require a separate decision by the Board of Directors.

The maximum number of shares that may be delivered as a reward is expected to be 660,000 shares for the 2020-2022 LTI plan and 60,000 shares for the 2020-2022 RS plan.

The objective of the LTI programmes is to support the implementation of the company's strategy, delivery of sustainable long-term performance, and to align the interests of the executive management and key employees with its shareholders. The programmes comply with the Finnish government ownership guidelines for management remuneration.

For further information regarding the company's incentive programmes, please see Fortum's Remuneration Statement: [www.fortum.com/governance](http://www.fortum.com/governance).

Fortum Corporation

Ingela Ulfves  
Vice President, Investor Relations and Financial Communications

### Further information:

Måns Holmberg, Manager, Investor Relations & Financial Communications, tel. +358 44 518 1518  
Jari Laitinen, Vice President, Compensation and Benefits, tel. +358 40 660 2506

### Fortum

Fortum is a leading clean-energy company that provides its customers with electricity, heating and cooling as well as smart solutions to improve resource efficiency. We want to engage our customers and society to join the change for a cleaner world. We employ some 8,000 professionals in the Nordic and Baltic countries, Russia, Poland and India. In 2018, our sales were EUR 5.2 billion and 57% of our electricity generation was CO<sub>2</sub> free. Fortum's share is listed on Nasdaq Helsinki. [www.fortum.com](http://www.fortum.com)