

PROPOSALS OF THE BOARD OF DIRECTORS OF FORTUM CORPORATION FOR THE ANNUAL GENERAL MEETING 2023

ITEM 7. ADOPTION OF THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors proposes that the Annual General Meeting adopt the financial statements and the consolidated financial statements. The Company's auditor has supported the adoption of the financial statements.

ITEM 8. PROPOSAL BY THE BOARD OF DIRECTORS FOR THE USE OF THE PROFIT SHOWN ON THE BALANCE SHEET AND THE DISTRIBUTION OF DIVIDEND

The distributable funds of Fortum Corporation as at 31 December 2022 amounted to EUR 6,291,275,608 including the profit for the financial year 2022 of EUR 1,542,734,239. The Company's liquidity is good, and the dividend proposed by the Board of Directors will not compromise the Company's liquidity.

The Board of Directors proposes that a dividend of EUR 0.91 per share be distributed for the financial year 2022. The dividend will be paid in two instalments.

Based on the number of shares registered as at 1 March 2023, the total amount of dividend would be EUR 816,510,663.

The Board of Directors proposes that the remaining part of the distributable funds be retained in the shareholders' equity.

The first dividend instalment of EUR 0.46 per share would be paid to shareholders who on the record date of the first dividend instalment 17 April 2023 are recorded in the Company's shareholders' register held by Euroclear Finland Oy. The Board of Directors proposes that the first dividend instalment be paid on 24 April 2023.

The second dividend instalment of EUR 0.45 per share would be paid to shareholders who on the record date of the second dividend instalment 2 October 2023 are recorded in the Company's shareholders' register held by Euroclear Finland Oy. The Board of Directors proposes that the second dividend instalment be paid on 10 October 2023.

The Board of Directors further proposes that the Annual General Meeting be authorised to resolve, if necessary, on a new record date and date of payment for the second dividend instalment, should the rules of Euroclear Finland Oy or statutes applicable to the Finnish book-entry system be amended or should other rules binding upon the Company so require.

ITEM 10. PROPOSAL BY THE BOARD OF DIRECTORS REGARDING THE PRESENTATION OF THE REMUNERATION REPORT FOR THE COMPANY'S GOVERNING BODIES

The Board of Directors proposes that the remuneration report for the Company's governing bodies for 2022 be approved.

The resolution of the Annual General Meeting on the approval of the remuneration report is advisory.

ITEM 14. PROPOSAL BY THE BOARD OF DIRECTORS FOR AUDITOR REMUNERATION

On the recommendation of the Audit and Risk Committee, the Board of Directors proposes that the auditor's fee be paid pursuant to an invoice approved by the Company.

The fee paid to the auditor for services rendered and invoiced in 2022 totalled approximately EUR 3.0 million.

ITEM 15. PROPOSAL BY THE BOARD OF DIRECTORS FOR ELECTION OF THE AUDITOR

On the recommendation of the Audit and Risk Committee, the Board of Directors proposes that Deloitte Oy be re-elected as the auditor, and that the Annual General Meeting request the auditor to give a statement on the granting of discharge from liability to the members of the Board of Directors, the President and CEO and the possible Deputy President and CEO, and on the Board of Directors' proposal for the distribution of funds.

Deloitte Oy has notified the Company that in the event it is elected as auditor, Jukka Vattulainen, APA, would be the principal auditor.

RECOMMENDATION TO THE BOARD OF DIRECTORS FOR THE APPOINTMENT OF A STATUTORY AUDITOR

This recommendation has been prepared and submitted in accordance with Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (the "*Audit Regulation*"). Under paragraph 2 of the Article 16 of the Audit Regulation, Fortum Corporation's ("*Fortum*") Audit and Risk Committee shall submit a recommendation to Fortum's Board of Directors for the appointment of a statutory auditor.

The Audit and Risk Committee recommends to the Board of Directors that the engagement of Deloitte Oy as statutory auditor of Fortum be renewed and Deloitte Oy be re-elected as the statutory auditor of Fortum for the term ending at the end of the Annual General Meeting 2024.

As required by the Audit Regulation, the Audit and Risk Committee hereby confirms that this recommendation is free from influence by a third party and that no clause of the kind referred to in paragraph 6 of the Article 16 of the Audit Regulation, which would restrict the choice by the Annual General Meeting as regards the appointment of the auditor, has been imposed upon it.

This recommendation is included in the Board of Directors' proposal to the Annual General Meeting 2023.

Audit and Risk Committee of the Board of Directors of Fortum Corporation.

ITEM 16 PROPOSAL BY THE BOARD OF DIRECTORS TO AMEND ARTICLES 12, 15 AND 16 OF THE COMPANY'S ARTICLES OF ASSOCIATION

The Board of Directors proposes amendment of Article 12 of the Articles of Association currently in force concerning the notice to a general meeting of shareholders. The proposed amendment would better reflect the Company's established practices.

Article 12 of the Articles of Association would thus read as follows:

*"§ 12 A notice convening the General Meeting of Shareholders is issued by the Board of Directors. The notice convening a General Meeting of Shareholders shall be **published** on the company's website no more than three months and no less than three weeks before the General Meeting of Shareholders. **In addition, the company may, subject to a decision by the Board of Directors, publish information regarding the notice convening a General Meeting of Shareholders in one or more newspapers.** However, the notice of General Meeting of Shareholders must in any event be delivered at least nine (9) days prior to the General Meeting Record Date referred to in Chapter 5, Section 6 a of the Finnish Limited Liability Companies Act."*

Article 12 would remain otherwise unchanged.

The Board of Directors further proposes that Article 15 of the Company's Articles of Association currently in force concerning general meetings of shareholders be supplemented with a new second paragraph owing to a change in the Finnish Companies Act. According to the proposed new second paragraph, a general meeting of shareholders could, subject to a decision by the Board of Directors, be organised without a physical venue so that the shareholders could exercise their decision-making powers during the meeting in full and in real time by means of a telecommunications link and a technical instrument (remote meeting). The shareholders could thus exercise their right to ask questions and right to vote as if in a physical meeting.

The current second and third paragraph of Article 15 of the Articles of Association in force would accordingly be moved over to form a new third and fourth paragraph. Article 15 would remain otherwise unchanged.

The amendment would enable the Company to better prepare for changing circumstances in the Company's operating environment and the society at large, and offer its shareholders a possibility to exercise their decision-making powers in full in the items presented to the general meeting under all circumstances. The proposed amendment would further enable the organising of a general meeting and the full exercise of shareholder rights in a situation where participating in the general meeting at the meeting venue would not be possible for, e.g., safety reasons.

Article 15 of the Articles of Association would thus read as follows:

“§ 15 General Meetings of Shareholders are held in Helsinki, Espoo or Vantaa.

A General Meeting of Shareholders can, subject to a decision by the Board of Directors, be organised without a physical venue so that the shareholders can exercise their decision-making powers during the meeting in full and in real time by means of a telecommunications link and a technical instrument (remote meeting).

The Annual General Meeting of Shareholders shall be held once a year in June at the latest.

An Extraordinary General Meeting of Shareholders shall be held whenever the Board of Directors finds cause for such a meeting or when the provisions of the law rule that such a meeting must be held.”

Moreover, the Board of Directors proposes that Article 16 of the Company’s Articles of Association currently in force concerning annual general meetings be amended owing to changes in the legislation. According to the amendment, in addition to the items listed in the second paragraph of Article 16, the annual general meeting of shareholders shall also, if necessary, resolve on the remuneration policy (new item 6 of the second paragraph of the amended Article 16) as well as resolve on the approval of the remuneration report (new item 7 of the second paragraph of the amended Article 16). In addition, the running numbers of the current items 6–10 of Article 16 would be accordingly adjusted to numbers 8–12 in the proposed amended Article 16. Article 16 would remain otherwise unchanged.

Article 16 of the Articles of Association would thus read as follows:

“§ 16 At the Annual General Meeting of Shareholders, the following shall be:

presented:

1. the financial statements, which include the consolidated financial statements, and the operating and financial review;

2. the auditor's report;

decisions shall be taken regarding the following:

3. adoption of the financial statements and consolidated financial statements;

4. use of the profit shown in the balance sheet;

5. discharge from liability of the members of the Board of Directors as well as the Managing Director, and his Deputy, if any;

6. if necessary, the remuneration policy;

7. approval of the remuneration report;

8. remuneration for the members of the Board of Directors and on remuneration for the auditor;

9. the number of members of the Board of Directors;

the following shall be elected:

10. the Chairman, Deputy Chairman and members of the Board of Directors; and

11. the auditor; and

the following matters shall be dealt with:

12. any other matters mentioned separately in the notice convening the meeting.”

Current wording:	Proposed new wording:
<p>§ 12 A notice convening the General Meeting of Shareholders is issued by the Board of Directors. The notice convening a General Meeting of Shareholders shall be delivered no more than three months and no less than three weeks before the General Meeting of Shareholders by publishing the notice in the company's website or in two newspapers chosen by the Board of Directors. However, the notice of General Meeting of Shareholders must in any event be delivered at least nine (9) days prior to the General Meeting Record Date referred to in Chapter 5, Section 6 a of the Finnish Limited Liability Companies Act.</p>	<p>§ 12 A notice convening the General Meeting of Shareholders is issued by the Board of Directors. The notice convening a General Meeting of Shareholders shall be published on the company's website no more than three months and no less than three weeks before the General Meeting of Shareholders. In addition, the company may, subject to a decision by the Board of Directors, publish information regarding the notice convening a General Meeting of Shareholders in one or more newspapers. However, the notice of General Meeting of Shareholders must in any event be delivered at least nine (9) days prior to the General Meeting Record Date referred to in Chapter 5, Section 6 a of the Finnish Limited Liability Companies Act.</p>
<p>§ 15 General Meetings of Shareholders are held in Helsinki, Espoo or Vantaa.</p>	<p>§ 15 General Meetings of Shareholders are held in Helsinki, Espoo or Vantaa.</p> <p>A General Meeting of Shareholders can, subject to a decision by the Board</p>

<p>The Annual General Meeting of Shareholders shall be held once a year in June at the latest.</p> <p>An Extraordinary General Meeting of Shareholders shall be held whenever the Board of Directors finds cause for such a meeting or when the provisions of the law rule that such a meeting must be held.</p>	<p>of Directors, be organised without a physical venue so that the shareholders can exercise their decision-making powers during the meeting in full and in real time by means of a telecommunications link and a technical instrument (remote meeting).</p> <p>The Annual General Meeting of Shareholders shall be held once a year in June at the latest.</p> <p>An Extraordinary General Meeting of Shareholders shall be held whenever the Board of Directors finds cause for such a meeting or when the provisions of the law rule that such a meeting must be held.</p>
<p>§ 16 At the Annual General Meeting of Shareholders, the following shall be:</p> <p>presented:</p> <ol style="list-style-type: none"> 1. the financial statements, which include the consolidated financial statements, and the operating and financial review; 2. the auditor's report; <p>decisions shall be taken regarding the following:</p> <ol style="list-style-type: none"> 3. adoption of the financial statements and consolidated financial statements; 4. use of the profit shown in the balance sheet; 5. discharge from liability of the members of the Board of Directors as well as the Managing Director and his Deputy, if any; 	<p>§ 16 At the Annual General Meeting of Shareholders, the following shall be:</p> <p>presented:</p> <ol style="list-style-type: none"> 1. the financial statements, which include the consolidated financial statements, and the operating and financial review; 2. the auditor's report; <p>decisions shall be taken regarding the following:</p> <ol style="list-style-type: none"> 3. adoption of the financial statements and consolidated financial statements; 4. use of the profit shown in the balance sheet; 5. discharge from liability of the members of the Board of Directors as well as the Managing Director, and his Deputy, if any;

<p>6. remuneration for the members of the Board of Directors and on remuneration for the auditor;</p> <p>7. the number of members on the Board of Directors;</p> <p>the following shall be elected:</p> <p>8. the Chairman, Deputy Chairman and members of the Board of Directors; and</p> <p>9. the auditor; and</p> <p>the following matters shall be dealt with:</p> <p>10. any other matters mentioned separately in the notice convening the meeting.</p>	<p>6. if necessary, the remuneration policy;</p> <p>7. approval of the remuneration report;</p> <p>8. remuneration for the members of the Board of Directors and on remuneration for the auditor;</p> <p>9. the number of members of the Board of Directors;</p> <p>the following shall be elected:</p> <p>10. the Chairman, Deputy Chairman and members of the Board of Directors; and</p> <p>11. the auditor; and</p> <p>the following matters shall be dealt with:</p> <p>12. any other matters mentioned separately in the notice convening the meeting.</p>
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ITEM 17. PROPOSAL BY THE BOARD OF DIRECTORS TO AUTHORISE THE BOARD TO DECIDE ON THE REPURCHASE OF THE COMPANY'S OWN SHARES

The Board of Directors proposes that the Board of Directors be authorised to decide on the repurchase of the Company's own shares.

The aggregate maximum number of own shares to be repurchased would be 20,000,000 shares, which corresponds to approximately 2.23 per cent of all the shares in the Company. Only the unrestricted equity of the Company could be used to repurchase own shares on the basis of the authorisation.

Own shares could 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 would decide how own shares would be repurchased. Own shares could also be repurchased using derivatives. Own shares could be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase).

The authorisation would cancel the authorisation granted by the Company's Annual General Meeting of 2022 to decide on the repurchase of the Company's own shares, and it would be effective until the next Annual General Meeting and in any event no longer than for a period of 18 months.

ITEM 18. PROPOSAL BY THE BOARD OF DIRECTORS TO AUTHORISE THE BOARD TO DECIDE ON THE DISPOSAL OF THE COMPANY'S OWN SHARES

The Board of Directors proposes that the Board of Directors be authorised to decide on the disposal of the Company's own shares.

The number of shares to be disposed based on the authorisation shall not exceed 20,000,000 shares, which corresponds to approximately 2.23 per cent of all the shares in the Company.

The Board of Directors would decide on the conditions of the disposals, including to whom, at what price and in which manner the Company's shares would be disposed. Disposals could also be made in deviation from the shareholders' pre-emptive rights (directed share issue).

The authorisation would cancel the authorisation granted by the Company's Annual General Meeting of 2022 to decide on the disposal of the Company's own shares, and it would be effective until the next Annual General Meeting and in any event no longer than for a period of 18 months.

ITEM 19. PROPOSAL BY THE BOARD OF DIRECTORS TO AUTHORISE THE BOARD TO DECIDE ON CHARITABLE CONTRIBUTIONS

The Board of Directors proposes that the Board of Directors be authorised to decide on contributions in the total maximum amount of EUR 500,000 for charitable or similar purposes, and to decide on the recipients, purposes and other terms of the contributions.

In addition, the Board of Directors proposes that the Board of Directors be authorised to decide on contributions in the total maximum amount of EUR 1,000,000 for incidental emergency relief or similar purposes as needed, and to decide on the recipients, purposes and other terms of the contributions.

The authorisations would be effective until the next Annual General Meeting.

In Espoo, 1 March 2023

Fortum Corporation

The Board of Directors