

PROPOSALS BY THE SHAREHOLDERS' NOMINATION BOARD OF FORTUM TO THE 2023 ANNUAL GENERAL MEETING

The purpose and task of the Shareholders' Nomination Board of Fortum Corporation established in 2013 is to prepare and present to the annual general meeting proposals on the number of the Board members, the composition of the Board of Directors and the remuneration of the Board of Directors.

The Shareholders' Nomination Board proposes to the Annual General Meeting 2023 that the Board of Directors consist of ten (10) members (previously nine), 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 2024:

Proposed to be re-elected as members:

Ralf Christian
Luisa Delgado,
Essimari Kairisto and
Teppo Paavola.

Proposed to be elected as new members:

Jonas Gustavsson,
Marita Niemelä,
Mikael Silvennoinen
Maija Strandberg,
Johan Söderström and
Vesa-Pekka Takala.

Mikael Silvennoinen is proposed to be elected as Chair and Essimari Kairisto as Deputy Chair of the Board of Directors. The following persons will not continue on the Board: Veli-Matti Reinikkala, Anja McAlister, Philipp Rösler, Annette Stube and Kimmo Viertola.

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

The CVs of the proposed new Board members are attached hereto as Appendices 1-6.

On the subject of the election procedure of the Board members, the Shareholders' Nomination Board suggests that the shareholders will take stand on the board's composition and nominations as a whole. The suggestion is based on the fact that the Company has a Shareholders' Nomination Board established by the resolution of the general meeting compliant with the Corporate Governance Code and corporate governance. The task of the Nomination Board is to ensure that the proposed Board as a whole possesses extensive competences and experience relevant for the Company, in addition to ensuring the qualifications of the individual board member candidates. The Nomination Board is also responsible for ensuring that board diversity principles are

appropriately taken into account and that the proposed Board composition also meets the other requirements set forth by the legislation and the Finnish Corporate Governance Code for listed companies.

Remuneration of the Board of Directors:

The Shareholders' Nomination Board states that in accordance with the terms of the bridge financing facility between the Company and Solidium Oy for a total amount of EUR 2.35 billion agreed on 6 September 2022, the remuneration of the members of the Board of Directors of the Company will not be increased in 2022 and 2023 during the validity of the arrangement. However, the implementation of the long-term programme to increase the remuneration of the members of the Board of Directors of the Company agreed in 2021 will be continued in such a way that as previously agreed, the board remuneration will achieve the market level in 2026.

Therefore, the Shareholders' Nomination Board proposes to the Annual General Meeting 2023 that the remuneration payable to the members of the Board of Directors remain unchanged, and remuneration be paid for the next term, as follows:

The annual fee of the Chair, Deputy Chair and other members of the Board of Directors:

Chair: EUR 88,800/year

Deputy Chair: EUR 63,300/year

Members: EUR 43,100/year

Chair of the Audit and Risk Committee: EUR 63,300/year, in case that he/she does not simultaneously act as Chair or Deputy Chair of the Board.

In addition, 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 proposes that the meeting fee payable to a Board member, also for the Committee meetings, be EUR 800 for each meeting, or EUR 1,600 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. The travel expenses of Board members are compensated in accordance with the Company's travel policy.

Further, the Shareholders' Nomination Board proposes that the annual fees 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 2023 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.

Maija Strandberg, Senior Ministerial Adviser, Financial Affairs, Prime Minister's Office, Ownership Steering Department acted as the Chair of the Shareholders' Nomination Board. The members of the Shareholders' Nomination Board were Risto Murto, President and CEO of Varma Mutual Pension Insurance Company, Jouko Pölönen, President and CEO of Ilmarinen Mutual Pension Insurance Company, and the Chair of Fortum Board of Directors Veli-Matti Reinikkala.

Maija Strandberg did not take part in the decision-making regarding herself.

27 January 2023

on behalf of the Shareholders' Nomination Board

Maija Strandberg, Chair

Appendix 1: CV of the proposed new Board member

Jonas Gustavsson

Born 1967, Swedish citizen

M.Sc. (Mechanical Engineering), Luleå University of Technology, 1995

President and CEO, AFRY (ÅF Pöyry AB)

Primary working experience:

President Sandvik Machining Solutions, Sandvik 2013-2017

President Sandvik Materials Technology, Sandvik 2011-2013

President, Product Unit KANTHAL, Sandvik Materials Technology 2009-2011

General Manager, Product Unit Tube, Sandvik Materials Technology 2008-2009

Senior Vice President Operations, BRP ROTAX, Austria 2003-2008

Director Operations, Propulsion & Controls, Bombardier Transportation 2001-2002

Production Manager Bogies and Propulsion, ABB TRACTION / ADTRANZ 1997-2001

Line Manager: Production Development and Production Manager, ABB STAL 1996-1997

Expert Product Development and Project Manager, ABB Power Generation, Switzerland 1995-1996

Key positions of trust:

Vice Chairman, the Association of Swedish Engineering Industries

Board Member, the Confederation of Swedish Enterprise

Member, the Royal Swedish Academy of Engineering Sciences (IVA)

Fortum shareholding: 0

Appendix 2: CV of the proposed new Board member

Marita Niemelä

Born 1961, Finnish citizen

Dr. Tech (Chem. Eng), Helsinki University of Technology, 1997

Vice President Sustainable Energy Solutions, Rejlers Finland

Primary working experience:

CSIRO Energy Business Unit (P&L), Director, Australia 2020-2022

CSIRO Energy BU, Science and Deputy Director, Australia 2019-2020

Neste Engineering Solutions (NES), Vice President Technology 2019

NES, Vice President Engineering and Technology 2018-2019

Neste Jacobs (NJ), Chief Technology Officer 2017-2018

Valmet Pulp and Energy (P&E), Vice President, Strategy 2013-2017

Metso Pulp, Paper and Power, Vice President Bio Technologies 2012-2013

Pöyry Management Consulting, Leading Advisor, New Technologies, Biofuels and Biorefining 2010-2012

Aalto University, Finland 2009 – ongoing

- Docent Biofuels and Biorefining since 2012
- Adjunct Professor 2011 (30 % Aalto)
- Part time Professor 1.8.2010-31.12.2010 (20 % Aalto)
- Part time Professor 1.9.2009-31.7.2010 (40 % Aalto)

Pöyry Finland Oy, Vice President, Biofuels and Biorefining 2007-2010

Avantium Technologies, the Netherlands, Director Chemicals (SME) 2006-2007

Key positions of trust:

Board Member, Aalto University

Member of Forté Foundation Global Board Ready Women

Fortum shareholding: 0

Appendix 3: CV of the proposed new Board member

Mikael Silvennoinen

Born 1956, Finnish citizen

M. Sc. (Economics)

Executive Chairman, IMS Talent Oy

Primary working experience:

Pohjola Bank Plc

- President and CEO, Chairman of the Executive Committee 1997-2013
- Member of the Executive Board, Head of Capital markets 1997
- Head of Investment banking and International affairs 1994-1997
- Head of private equity 1989-1992

Wärtsilä Group

- Group Treasurer and Managing Director of Wärtsilä Finance Ltd. 1988-1989
- Finance Manager 1986-1988
- Various finance specialist positions 1983-1986

Key positions of trust:

Chairman of the Board of Directors, Orion Corporation

Member of the Board of Directors, Pontos Oy

Fortum shareholding: 0

Appendix 4: CV of the proposed new Board member

Maija Strandberg

Born 1969, Finnish citizen

MSc, Economics, Turku School of Economics, 1993.

Senior Ministerial Adviser, Financial Affairs, Prime Minister's Office, Ownership Steering Department

Primary working experience:

CFO, Uponor Oyj 2017-2019

VP Finance, Paper Business Line and VP Finance, Pulp & Energy Business Line, Valmet (Metso Paper Oy) 2013-2017

Managing Director, Member of group management and CFO, ALSO Nordic Holding Oy (GNT Holding Oy) 2007-2012

Various controller and director positions, Timberjack / John Deere C&F Europe 1995-2007

Key positions of trust:

Board member, member of the audit committee, SSAB AB (publ.)

Board member, member of People and Remuneration Committee, Finnair Oyj

Chair of the Shareholders' Nomination Board, Fortum Corporation

Chair of the Shareholders' Nomination Board, Neste Corporation

Member of the Nomination Committee, Municipality Finance Plc

Fortum shareholding: 0

Appendix 5: CV of the proposed new Board member

Johan Söderström

Born 1962, Swedish citizen

Master of Science (Industrial Management and Engineering)

Executive Vice President, Head of Regions Europe and Middle East & Africa, Hitachi Energy Ltd.

Primary working experience:

Country Manager & Managing Director, ABB AB Sweden 2011-2019

Local Division Manager Power Products ABB AB Sweden 2007-2011

President MCS Division, Munters AB 2005-2007

Head of Low Voltage and Automation Products, ABB AB Sweden 2002-2005

Group Senior Vice President, Group process Owner Marketing & Sales and eBusiness at ABB Ltd HQ in Zurich 2000-2002

President ABB Control AB and Global Marketing & Sales Manager, Business Area Low Voltage Products ABB Ltd. 1997-1999

Various local and global positions from 1986 to 1997 within ASEA and ABB

Key positions of trust:

Vice Chair of the Board, Business Sweden

Board Member, Stena Recycling AB

Member, the Royal Swedish Academy of Engineering Sciences (IVA)

Fortum shareholding: 0

Appendix 6: CV of the proposed new Board member

Vesa-Pekka Takala

Born 1966, Finnish citizen

Master of Science (Econ.), Vaasa School of Economics and Business Administration, 1990

Deputy Managing Director of Metsäliitto Cooperative;
CFO, Metsä Group

Primary working experience:

Outotec Oyj

- CFO and Substitute to CEO, Member of Group Executive Committee 2009-2010
- CFO, Member of Group Executive Committee 2006-2009

Outokumpu Group

- Executive Vice President, Corporate Controller, Member of Group Executive Committee, Outokumpu Oyj 2005-2006
- Senior Vice President, Corporate Controller, Outokumpu Oyj 2001-2005
- Vice President, Corporate Controller, Outokumpu Oyj 1998-2001
- Financial Controller, Outokumpu Harjavalta Metals, Oy, Harjavalta 1996-1998
- Controller, Outokumpu Mining Australia Pty Ltd, Perth WA 1994-1996
- Controller – Financial Accounting, Outokumpu Metals & Resources Oy, Espoo 1994
- Controller, Outokumpu Mining Oy, Espoo 1993-1994
- Accounting Manager, Outokumpu Mining Oy, Espoo 1991-1993
- Assistant Controller, Outokumpu Mining Oy, Espoo 1990-1991

Key positions of trust:

Board Member and Chairman of Audit Committee, Outokumpu Oyj

Board Member, Metsä Fibre Oy

Board Member, Metsä Spring Oy

Board Member, Metsä Tissue Oyj

Board Member, Metsä Group Services Sp.z.o.o

Chair of the Board, Metsä Group Treasury Oy

Chairman, Economy and Tax Committee of Finnish Forest Industries

Member of the delegation, Helsinki School of Economics Support Foundation fr (registered foundation)

Fortum shareholding: 0
