

4 April 2017

Decisions by Fortum Corporation's Annual General Meeting 2017 and Board meeting

FORTUM CORPORATION STOCK EXCHANGE RELEASE 4 APRIL 2017 AT 17.40 EEST

Fortum Corporation's Annual General Meeting was held in Helsinki on 4 April 2017. The Annual General Meeting adopted the Financial Statements and the Consolidated Financial Statements for the financial period 1 January-31 December 2016.

In accordance with the proposal of the Board of Directors, the Annual General Meeting decided that a dividend of EUR 1.10 per share be paid based on the adopted balance sheet for the financial year that ended on 31 December 2016, which corresponds to EUR 977,203,749.50 in aggregate, and that the remaining part of the distributable funds sheet shall be retained in the shareholders' equity. The dividend will be paid to the shareholders who are recorded in the company's shareholders' register, held by Euroclear Finland Ltd, on the record date for dividend payment 6 April 2017. The dividend will be paid on 13 April 2017.

The Annual General Meeting discharged from liability the members of the Fortum Board of Directors and the President and CEO for the year 2016.

Board of Directors, remunerations and auditor

The Annual General Meeting confirmed the remuneration for Board service to remain unchanged for the upcoming term in accordance with the proposal by the Shareholders' Nomination Board:

- for the Chairman EUR 75,000 per year,
- for the Deputy Chairman EUR 57,000 per year,
- for a Member EUR 40,000 per year, and
- for the Board member acting as the Chairman of the Audit and Risk Committee EUR 57,000 per year if he or she is not at the same time acting as Chairman or Deputy Chairman of the Board.

In addition, a fee of EUR 600 is paid for each Board meeting and Board Committee meeting. For Board members living outside Finland in Europe, the proposed fee for each meeting will be doubled, and for Board members living outside Europe, the proposed fee for each meeting will be tripled. For Board members living in Finland, the proposed fee for each Board and Board Committee meeting will be doubled for meetings held outside Finland and tripled for meetings held outside Europe. For Board and Committee meetings held as a telephone conference, the proposed fee will be paid as single to all members. No fee will be paid for decisions made without a separate meeting.

In accordance with the Shareholders' Nomination Board's proposal, the number of members in the Board of Directors was confirmed to remain unchanged and to be eight.

In accordance with the Shareholders' Nomination Board's proposal, the Annual General Meeting elected the following persons to the Board of Directors for a term of office ending at the closing of the next Annual General Meeting: Ms Sari Baldauf as Chairman, Mr Matti Lievonen as Deputy Chairman, and Mr Heinz-Werner Binzel, Ms Eva Hamilton, Mr Kim Ignatius, Mr Tapio Kuula, Ms Anja McAlister and Mr Veli-Matti Reinikkala as Members.

Further details of the members of the Board of Directors are available at the company's website at www.fortum.com/governance.

The Annual General Meeting decided, in accordance with the proposal of the Board of Directors, to pay to the auditor according to an invoice approved by the company.

The Annual General Meeting decided, in accordance with the proposal of the Board of Directors, to elect Deloitte & Touche Ltd, Authorised Public Accountants, as the auditor. Deloitte & Touche Ltd has notified the company that Authorised Public Accountant Ms Reeta Virolainen will act as the principal auditor.

Repurchase and disposal of the company's own shares

The Annual General Meeting decided, in accordance with the proposal of the Board of Directors, to authorise the Board of Directors to decide on the repurchase of the company's own shares, and at the same time cancel the repurchase authorisation resolved by the Annual General Meeting of 2016 as follows:

- The maximum number of own shares to be repurchased is 20,000,000 shares, which corresponds to approximately 2.25 per cent of all the shares in the company. Only the unrestricted equity of the company can be used to repurchase own shares on the basis of the authorisation.
- 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 will decide how own shares will be repurchased. 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).
- Own shares can be repurchased to be used in connection with acquisitions, investments or other business transactions, or to be retained or cancelled. Own shares cannot be repurchased for the purposes of the company's incentive and remuneration schemes.
- The authorisation cancelled the authorisation resolved by the Annual General Meeting of 2016 to decide on the repurchase of the company's own shares, and it will be effective until the next Annual General Meeting and in any event no longer than for a period of 18 months.

In addition, the Annual General Meeting decided, in accordance with the proposal of the Board of Directors, to authorise the Board of Directors to decide on the disposal of the Company's own shares, and at the same time cancel the disposal authorisation resolved by the Annual General Meeting of 2016 as follows:

- The number of shares to be disposed based on the authorisation shall not exceed 20,000,000 shares, which corresponds to approximately 2.25 per cent of all the shares in the company.
- Own shares can be disposed in connection with acquisitions, investments or other business transactions. The disposals cannot be made for the purposes of the company's incentive and remuneration schemes.
- The Board of Directors will decide on all the other conditions of the disposals, including to whom, at what price and in which manner the company's shares are disposed. The disposals may also be made in deviation from the shareholders' pre-emptive rights for a weighty financial reason.
- The authorisation cancelled the authorisation resolved by the Annual General Meeting of 2016 to decide on the disposal of the company's own shares, and it will be effective until the next Annual General Meeting and in any even no longer than for a period of 18 months.

Minutes of the meeting

The minutes of the Annual General Meeting will be available on the company's website as from 18 April 2017 at the latest.

Decisions by the Board of Directors

At the meeting held after the Annual General Meeting, Fortum's Board of Directors elected, from among its members, to the Nomination and Remuneration Committee Matti Lievonon as Chairman and Sari Baldauf, Eva Hamilton, and Tapio Kuula as members.

Furthermore, the Board elected to the Audit and Risk Committee Kim Ignatius as Chairman and Heinz-Werner Binzel, Anja Mc Alister and Veli-Matti Reinikkala as members.

Fortum Corporation

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Key media

www.fortum.com

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, and 62% of our electricity generation is CO² free. In 2016, our sales were EUR 3.6 billion. Fortum's share is listed on Nasdaq Helsinki. www.fortum.com