

PROPOSALS BY FORTUM'S SHAREHOLDERS' NOMINATION BOARD TO THE 2019 ANNUAL GENERAL MEETING ON THE NUMBER OF THE BOARD MEMBERS, THE COMPOSITION OF THE BOARD OF DIRECTORS AND THE REMUNERATION OF THE BOARD OF DIRECTORS

Fortum's Annual General Meeting on 9 April 2013 established a permanent Shareholders' Nomination Board, in accordance with the proposal of the Board of Directors. The purpose and task of the Shareholders' Nomination Board 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 2019 that the Board of Directors consist of nine (9) members the Chairman and the Deputy Chairman included and that the following persons be elected to the Board of Directors for a term ending at the end of the 2020 Annual General Meeting:

Proposed to be re-elected:

Eva Hamilton
Kim Ignatius
Essimari Kairisto
Matti Lievonen
Klaus-Dieter Maubach
Anja McAlister and
Veli-Matti Reinikkala

Proposed to be elected as new members:

Marco Ryan and
Philipp Rösler.

Matti Lievonen is proposed to be elected as Chairman and Klaus-Dieter Maubach as Deputy Chairman of the Board of Directors.

Fees to Board members:

The Shareholders' Nomination Board did not reach a unanimous proposal, and consequently did not make a proposal for the remuneration paid to the Board of Directors for their following term of office. The Chairman of the Nomination Board has notified the Nomination Board and the company that the State of Finland will make a proposal at the Annual General Meeting for the remuneration to remain unchanged.

The remuneration currently paid to the Board of Directors is as follows:

- Chairman: EUR 75,000/year
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- Deputy Chairman: EUR 57,000/year
- Members: EUR 40,000/year
- The Chairman of the Audit and Risk Committee, if he/she is not simultaneously acting as Chairman or Deputy Chairman of the Board: EUR 57,000/year.

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

The Shareholders' Nomination Board comprised Kimmo Viertola, Director General, Prime Minister's Office, Ownership steering department (Chairman), Risto Murto, President and CEO of Varma Mutual Pension Insurance Company, Jouko Pölönen, President and CEO of Ilmarinen Mutual Pension Insurance Company, and the Chairman of Fortum's Board of Directors Matti Lievonen.

Matti Lievonen did not take part in the decision-making on the remuneration paid to the Board of Directors and on the proposal for the Chairman of the Board.

29 January 2019

Kimmo Viertola, Chairman
on behalf of the Shareholders' Nomination Board

Biographical details of the proposed new Board members are attached as Appendices 1 and 2.

Appendix 1: Biographical details of the new proposed Board member

Marco Ryan

Born 1966, British citizen
B.Sc. (Information Management)

EVP, Chief Digital Officer, Wärtsilä Corporation

Primary working experience:

- Thomas Cook Group, Chief Digital & Innovation Officer 2013-2016; Managing Director Marketing & eCommerce 2013-2014
 - Accenture Interactive, Partner and Managing Director (ASEAN) 2011-2013
 - Premier Farnell Plc, Senior Vice President eCommerce and Digital 2009-2011; Senior Vice President Global eCommerce 2006-2009
 - Capgemini Consulting, Executive Consultant 2001-2006
 - Interactive Collector Plc, Vice President, Interactive Services & Chief Operating Officer 1999-2001
 - Telematix, Chief Executive Officer 1998-1999
 - Keyhaven International, Interim Managing Director 1997-1998
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Appendix 2: Biographical details of the new proposed Board member

Philipp Rösler

Born 1973, German citizen
Ph.D., M.Med.

Managing Director, Hainan Cihang Charity Foundation

Primary working experience:

- World Economic Forum, Managing Director & Member of the Managing Board 2014-2017
- Federal Ministry (Bundesministerium) of Economics and Technology, Deputy Federal Chancellor and Federal Minister 2011-2013
- Free Democratic Party (FDP), Germany, Chairman 2011-2013
- Federal Ministry (Bundesministerium) of Health, Federal Minister of Health
- Free Democratic Party (FDP), Germany
 - State of Lower Saxony, Minister, Economy, Labour and Transport and Deputy Prime Minister 2009 – 2009
 - State Chairman of Lower Saxony 2006 – 2009
 - FDP Federal Bureau, Member of the Board 2005-2006
 - General Secretary of Lower Saxony and Member of the Land Parliament of Lower Saxony 2003 -2004
 - General Secretary of Lower Saxony and Deputy Chairman of the Regional Parliamentary Group, and Member of the Regional Assembly of Hanover 2001-2003
 - General Secretary of Lower Saxony 2000-2001
 - Member of the National Council of Lower Saxony and FDP State Chairman of the Young Liberals of Lower Saxony 1996-2000
 - District Chairman of Young Liberals Hanover 1992-1996

Key positions of trust:

- Siemens Healthineers, Member of the Supervisory Board
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