

# TERVEYSTALO PLC: NOTICE OF THE ANNUAL GENERAL MEETING

Terveystalo Plc Stock Exchange Release 14 February 2019 at 9:05 EET

Notice is given to the shareholders of Terveystalo Plc of the Annual General Meeting to be held on Thursday, 4 April 2019 at 3:00 p.m. at Marina Congress Center, Katajanokanlaituri 6, Helsinki, Finland. The reception of attendees, who have registered for the meeting, will commence at 2:00 p.m.

## **A. Matters on the agenda of the Annual General Meeting**

The following matters will be considered at the Annual General Meeting:

### **1. Opening of the meeting**

### **2. Calling the meeting to order**

### **3. Election of persons to scrutinize the minutes and to supervise the counting of votes**

### **4. Recording of the legality of the meeting**

### **5. Recording the attendance at the meeting and adoption of the list of votes**

### **6. Presentation of the Financial Statements, the Report of the Board of Directors and the Auditor's Report for the year 2018**

- Review by the CEO

### **7. Adoption of the Financial Statements**

### **8. Resolution on the use of the profit shown on the balance sheet and resolution on the return of equity**

On 31 December 2018, the parent company's distributable funds totaled EUR 518.2 million, of which EUR 9.2 million was profit for the financial year. The Board of Directors proposes to the Annual General Meeting that no dividend be distributed based on the adopted balance sheet. In addition, the Board of Directors proposes that EUR 0.20 per share be distributed for 2018 from the unrestricted equity reserve, totaling EUR 25.5 million with the current number of shares. The distribution would be paid to a shareholder, who on the distribution payment record date of 8 April 2019 is registered in the Company's shareholders' register maintained by Euroclear Finland Oy. The distribution would be paid on 15 April 2019.

### **9. Resolution on the discharge of the members of the Board of Directors and the CEO from liability**

### **10. Resolution on the remuneration of the members of the Board of Directors**

The Shareholders' Nomination Board proposes to the Annual General Meeting that the remuneration paid to the members of the Board remain unchanged from the previous term and shall be the following:

- Annual remuneration of the Chairman EUR 80,000
- Annual remuneration of the Vice-Chairman EUR 49,000
- Annual remuneration of the members EUR 39,000
- Annual remuneration of the Chairman of the Audit Committee EUR 49,000.

Additionally, the following attendance fees shall be paid for each Board and Committee meeting: EUR 600 for members residing in Finland, EUR 1,200 for members residing elsewhere in Europe and EUR 2,400 for members residing outside of Europe. For Board and Committee meetings that are held by telephone or other electronic means, the attendance fee shall be EUR 600. Travel expenses are proposed to be reimbursed in accordance with the Company's travel policy.

In addition, the Nomination Board proposes that the annual remuneration of the Board be paid as a combination of Company shares and cash in such a manner that 40% of the annual remuneration is paid in shares in the possession of the Company or, if this is not possible, in the Company's shares purchased from the market, and

60% is paid in cash. The Company will reimburse the transaction costs and capital transfer tax related to trading. Attendance fees are proposed to be paid in cash.

#### **11. Resolution on the number of members of the Board of Directors**

The Shareholders' Nomination Board proposes to the Annual General Meeting that the number of members of the Board of Directors shall be eight (8).

#### **12. Election of the members of the Board of Directors**

The Shareholders' Nomination Board proposes to the Annual General Meeting, for a term that ends at the end of the Annual General Meeting 2020, that Lasse Heinonen, Olli Holmström, Åse Aulie Michelet, Katri Viippola and Tomas von Rettig be re-elected as members of the Board and that Dag Andersson, Paul Hartwall and Kari Kauniskangas be elected as new members of the Board.

The Shareholders' Nomination Board recommends that Kari Kauniskangas be elected as the Chairman of the Board of Directors and Tomas von Rettig be re-elected as the Vice Chairman of the Board. Kari Kauniskangas is independent of the company and its significant shareholders.

The curricula vitae of the nominees are available on the Company's website at <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2019/>.

The current Chairman of the Board of Directors Fredrik Cappelen and current members of the Board of Directors Eeva Ahdekivi and Vesa Koskinen have announced that they are not available for re-election to the Board of Directors.

#### **13. Resolution on the remuneration of the auditor**

The Board of Directors proposes to the Annual General Meeting, on the recommendation of the Audit Committee, that the auditor's fees be paid against an invoice approved by the Company.

#### **14. Election of the auditor**

The Board of Directors proposes to the Annual General Meeting, on the recommendation of the Audit Committee, that KPMG Oy Ab be re-elected as the Company's auditor for a term that ends at the end of the Annual General Meeting 2020. KPMG Oy Ab has informed the Company that Authorized Public Accountant Jari Härmälä would continue as the auditor in charge.

#### **15. Resolution on authorizing the Board of Directors to resolve to repurchase the Company's own shares**

The Board of Directors proposes to the Annual General Meeting that the Board of Directors be authorized to decide on the repurchase and/or on the acceptance as pledge of the Company's own shares as follows:

The amount of own shares to be repurchased shall not exceed 12 803 653 shares, which corresponds to approximately 10 per cent of all shares in the Company. Only the unrestricted equity of the company can be used to repurchase own shares on the basis of the authorization.

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 decides how own shares will be repurchased and/or accepted as pledge. Shares can be repurchased using, inter alia, derivatives. Own shares can be repurchased otherwise than in proportion to the shareholdings of the existing shareholders (directed repurchase).

The authorization is effective until the end of the next Annual General Meeting, however no longer than until 30 June 2020.

#### **16. Resolution on authorizing the Board of Directors to resolve to issue shares and special rights entitling to shares**

The Board of Directors proposes to the Annual General Meeting that the Board of Directors be authorized to decide on the issuance of shares and other special rights entitling to shares referred to in Chapter 10, Section 1 of the Companies Act as follows:

The amount of shares to be issued shall not exceed 12 803 653 shares, which corresponds to approximately 10 per cent of all shares in the company.

The Board of Directors decides on all the conditions of the issuance of shares and of special rights entitling to shares. The issuance of shares and of special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue).

The authorisation is effective until the end of the next Annual General Meeting, however no longer than until 30 June 2020.

## **17. Resolution on authorizing the Board of Directors to resolve on donations for charitable purposes**

The Board of Directors proposes that the Annual General Meeting resolve to authorize the Board of Directors to decide on donations in a total maximum of EUR 150,000 for charitable or corresponding purposes and to authorize the Board of Directors to decide on the donation recipients, purposes of use and other terms of the donations. The authorization is proposed to remain effective until the end of the Annual General Meeting 2020 and in any event no longer than for a period of 18 months from the date of the resolution of the Annual General Meeting.

## **18. Closing of the meeting**

### **B. Documents of the Annual General Meeting**

The proposals for resolutions on the matters on the agenda of the Annual General Meeting and this notice are available on Terveystalo Plc's website at <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2019/>. The Annual Report, which includes the Company's Financial Statements, the Report of the Board of Directors and the Auditor's Report, will be available on the above-mentioned website on week 9, 2019. The proposals for resolutions and the other above-mentioned documents will also be available at the Annual General Meeting. The minutes of the Annual General Meeting will be available on the above-mentioned website as of 18 April 2019 at the latest.

### **C. Instructions for the participants in the Annual General Meeting**

#### **1. Right to participate and registration**

Each shareholder who is on 25 March 2019 registered in the Company's shareholders' register maintained by Euroclear Finland Oy has the right to participate in the General Meeting. A shareholder whose shares are registered on his/her personal Finnish book-entry account is registered in the Company's shareholders' register.

A shareholder who is registered in the Company's shareholders' register and wants to participate in the General Meeting must register for the meeting by giving prior notice of attendance no later than on 1 April 2019 at 10:00 a.m. (Finnish time), by which time the registration needs to have been received by the Company. Such notice can be given:

- a) on the Company's website at <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2019/>;
- b) by telephone to +358 20 770 6904 from Monday to Friday from 9:00 a.m. to 4:00 p.m. (Finnish time); or
- c) by mail to Terveystalo Plc, AGM/Legal & Compliance, Jaakonkatu 3, 00100 Helsinki, Finland.

In connection with the registration, a shareholder is required to notify his/her name, personal identification number, address, telephone number, the name of a possible assistant and the name and the personal identification number of a possible proxy representative. The personal data are used only in connection with the General Meeting and the processing of related registrations.

A shareholder, his/her authorized representative or proxy representative should, where necessary, be able to prove at the General Meeting their identity and/or right of representation.

#### **2. Holders of nominee-registered shares**

A holder of nominee-registered shares has the right to participate in the General Meeting by virtue of such shares based on which he/she on the record date of the General Meeting, i.e. on 25 March 2019, would be entitled to be registered in the shareholders' register of the Company maintained by Euroclear Finland Oy. The right to participate in the General Meeting requires, in addition, that the shareholder has, on the basis of such shares, been temporarily registered in the shareholders' register maintained by Euroclear Finland Oy at the latest on 1 April 2019 at 10:00 a.m. (Finnish time). This constitutes due registration for the General Meeting with regard to nominee-registered shares.

A holder of nominee-registered shares is advised to request without delay the necessary instructions regarding the temporary registration in the shareholders' register of the Company, the issuing of proxy documents and the registration for the General Meeting from his/her custodian bank. The account management organization of the custodian bank must temporarily register a holder of nominee-registered shares who wishes to participate in the General Meeting in the shareholders' register of the Company at the latest by the deadline stated above.

### **3. Proxy representatives and powers of attorney**

A shareholder may participate in the General Meeting and exercise his/her rights at the meeting by way of proxy representation. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the General Meeting. When a shareholder participates in the General Meeting by means of several proxy representatives, representing the shareholder with shares in different book-entry accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the General Meeting.

Proxy documents should be delivered in original to Terveystalo Plc, AGM/Legal & Compliance, Jaakonkatu 3, 00100 Helsinki, Finland prior to the expiration of the registration period.

### **4. Other information**

Pursuant to Chapter 5, Section 25 of the Finnish Companies Act, a shareholder who is present at the General Meeting has the right to request information with respect to the matters to be considered at the Meeting.

On the date of this notice, the total number of shares in the Company and votes represented by such shares is 128,036,531 shares and votes. On the date of this notice the Company holds a total of 730 000 of its own shares.

In Helsinki, 14 February 2019

TERVEYSTALO PLC  
The Board of Directors