

## **Proposals of Terveystalo 's Board of Directors to the Annual General Meeting 2021**

**Terveystalo Plc' Board of Directors has decided to propose to the Annual General Meeting to be held on March 25, 2021 that a dividend of EUR 0.13 per share be paid for 2020. In addition, the Board of Directors proposes that it be authorized to decide on the distribution of a dividend of up to EUR 0.13 per share. The Board further proposes adaptation of the financial statements, approval of the Remuneration Report and Policy for Governing Bodies, and authorizing of the Board to decide on the repurchase and / or pledge of own shares, issue of shares and special rights entitling to shares, and authorizing the Board to decide on charitable donations. The Board proposes that the firm of authorized public accountants KPMG Oy Ab be elected as the Company's Auditor.**

Annual General Meeting of Terveystalo Plc will be held on Thursday, 25 March 2021, starting at 1 p.m. EET. Due to the Covid-19 pandemic, exceptional meeting procedures based on the temporary legislative act to limit the spread of the Covid-19 pandemic (677/2020) will be in place so that the Annual General Meeting can be held in a predictable manner, considering the health and safety of shareholders, company personnel and other stakeholders. The Company's shareholders and their proxies may participate in the meeting and exercise the shareholder's rights only by voting in advance and by making counterproposals and asking questions in advance as specified in the Notice of Annual General Meeting. The Notice of Annual General Meeting is published on 16 February 2021 as a stock exchange release and on the Company's website. Shareholders who hold at least one hundredth of all the shares in the Company have a right to make a counterproposal on the agenda items, to be placed for a vote. Such counterproposals are required to be sent to the Company by email to [agm@terveystalo.com](mailto:agm@terveystalo.com) no later than by 23 February 2021 at 4:00 p.m. (EET).

In addition to the matters specified for the agenda of the Annual General Meeting in section 10 of the Company's Articles of Association, the following proposals by the Board of Directors will be handled by the Annual General Meeting:

### **Adoption of the Financial Statements**

The Board proposes that the Annual General Meeting adopt the financial statements for 2020.

### **Resolution on the use of the profit shown on balance sheet and distribution of dividend**

On 31 December 2020, the parent company's distributable funds totaled EUR 543.1 million, of which EUR 26.0 million was profit for the financial year. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.13 per share (totaling approximately EUR 16.5 million with the current number of shares) be paid based on the balance sheet adopted for the financial year ended 31 December 2020. The dividend would be paid to a shareholder registered in the Company's shareholders' register maintained by Euroclear Finland Ltd on the dividend record date of 29 March 2021. The dividend would be paid on 7 April 2021.

The Board of Directors further proposes that the Board of Directors be authorized to resolve in its discretion on the payment of dividend as follows:

The amount dividend to be paid based on the authorization shall not exceed EUR 0.13 per share. The authorization is valid until the opening of the next Annual General Meeting.

Unless the Board of Directors decides otherwise for a justified reason, the authorization will be used to pay dividend one time during the period of validity of the authorization. In this case the Board of Directors will make a separate resolution on the payment of dividend so that the dividend would preliminarily be paid by the end of November 2021. The Company shall make separate announcement of such resolution and confirm the final record and payment dates in such announcement.

The dividend to be paid based on a resolution of the Board of Directors will be paid to a shareholder registered in the Company's shareholders' register maintained by Euroclear Finland Ltd on the dividend record date.

## **Reviewing the Remuneration Report for Governing Bodies**

The Board proposes that the Annual General Meeting approve the 2020 Remuneration Report for Governing Bodies.

## **Changing of the Remuneration Policy for governing bodies**

The Board of Directors proposes that Terveystalo Remuneration Policy for Governing Bodies, as approved by the Annual General Meeting on 28 May 2020, is amended so that the maximum incentive opportunity of the President and CEO in the long-term incentives at the maximum level performance is increased. Through the amendment, the incentive opportunity of the President and CEO in the long-term incentives would be updated to correspond to the general market practice.

Amendment to the Remuneration Policy: The incentive opportunity of the President and CEO in the long-term incentives at maximum level performance in the long-term incentive plans payable during the same year may not exceed 220% (previously 120%) of annual base salary.

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

The Board proposes to the Annual General Meeting, at the recommendation of the Board's Audit Committee, that the Auditor's remuneration and the reimbursement of the Auditor's expenses be paid according to an invoice approved by the Company.

## **Election of the auditor**

In accordance with the Audit Committee's recommendation, the Board of Directors proposes that KPMG Oy Ab, a firm of authorized public accountants, be elected as the auditor of the Company for the term of office ending at the end of the Annual General Meeting of the year 2022. KPMG Oy Ab has announced that Henrik Holmbom, APA, would be acting as the principal auditor.

## **Authorizing the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of 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 number 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 based on 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 2022.

## **Authorizing the Board of Directors to decide on the issuance of shares and the issuance of 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:

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The number 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 authorization is effective until the end of the next Annual General Meeting, however no longer than until 30 June 2022.

### **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 2022 and in any event no longer than for a period of 18 months from the date of the resolution of the Annual General Meeting.

### **Available documents**

The Board's proposals will be added to the notice of the Annual General Meeting. The financial statements, remuneration policy and remuneration report will be published as a stock exchange release and will be available to shareholders on the company's website in week 7.

Terveystalo Plc.  
The Board of Directors