

TERVEYSTALO PLC: NOTICE OF THE ANNUAL GENERAL MEETING 2021

Terveystalo Plc Stock Exchange Release 16 February 2021 at 10:00 EET

Notice is given to the shareholders of Terveystalo Plc of the Annual General Meeting to be held on Thursday, 25 March 2021 at 1:00 p.m. (EET) in the Company's headquarters at Jaakonkatu 3 B, 3rd floor, Helsinki, Finland. In order to prevent the spread of the Covid-19 pandemic, the Annual General Meeting will be held without shareholders' and their proxy representatives' presence at the meeting venue. Shareholders of the Company and their proxy representatives may participate in the meeting and exercise shareholder rights only through voting in advance as well as by making counterproposals and presenting questions in advance. Instructions for shareholders are presented in this notice under section C "Instructions for the participants in the Annual General Meeting".

The Board of Directors of the Company has resolved on the exceptional procedure for the meeting based on the temporary legislative act to limit the spread of the Covid-19 pandemic (677/2020) approved by the Finnish Parliament on 15 September 2020, which entered into force on 3 October 2020. The Company has resolved to take actions enabled by the act in order to hold the meeting in a predictable manner, taking into account the health and safety of the Company's shareholders, personnel and other stakeholders.

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

The Chair of the Meeting will be Manne Airaksinen, Attorney-at-law. In case Manne Airaksinen would not be able to act as the Chair of the Meeting for a weighty reason, the Board of Directors will name another person it deems most suitable to act as the Chair.

3. Election of the person to confirm the minutes and to supervise the counting of votes

The person to confirm the minutes and to verify the counting of votes will be Pauliina Repo, Associate. In case Pauliina Repo would not be able to act as the person to confirm the minutes and to verify the counting of votes for a weighty reason, the Board of Directors will name another person it deems most suitable to act in that role.

4. Recording of the legality of the meeting

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

The shareholders who have voted in advance within the advance voting period and who have the right to participate in the meeting pursuant to Chapter 5 Sections 6 and 6a of the Finnish Limited Liability Companies Act will be recorded to have attended the meeting. The list of votes will be adopted according to the information provided by Euroclear Finland Oy.

6. Presentation of the Financial Statements, the Report of the Board of Directors and the Auditor's Report for the year 2020

As participation in the Annual General Meeting is possible only in advance, the Company's Annual Report 2020, which includes the Company's Financial Statements, the Report of the Board of Directors and the Auditor's Report, and which the Company will publish on week 7 and make available on the Company's website

<https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/>, is deemed to have been presented to the Annual General Meeting. A video of the presentation of the financial statements is available on the Company's website <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/> at the latest on the day before the advance voting begins.

7. Adoption of the Financial Statements

The Board of Directors proposes that the Annual General Meeting adopt the Financial Statements.

8. Resolution on the use of the profit shown on the balance sheet and distribution of dividend and authorizing the Board of Directors to decide on 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.

9. Resolution on the discharge of the members of the Board of Directors and the CEO from liability for the financial period 1 January 2020 – 31 December 2020

10. Handling of the Remuneration Report for governing bodies

As participation in the Annual General Meeting is possible only in advance, the Remuneration Report 2020 for the members of the Board of Directors, the President and CEO and the deputy President and CEO of Terveystalo, which describes the implementation of the Company's Remuneration Policy and presenting the information on the remuneration of the Company's governing bodies for the financial year 2020, and which the Company will publish on week 7 and make available on the Company's website <https://www.terveystalo.com/en/investors/Corporate->

governance/General-Meeting-of-Shareholders/AGM-2021/, is deemed to have been presented to the Annual General Meeting. The Annual General Meeting's resolution on the approval of the Remuneration Report is advisory.

11. 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% of annual base salary (previously: 120% of annual base salary).

As participation in the Annual General Meeting is possible only in advance, the amended Remuneration Policy, which the Company will publish on week 7 and make available on the Company's website <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/>, is deemed to have been presented to the Annual General Meeting. The Annual General Meeting's resolution on the Remuneration Policy is advisory.

12. Resolution on the remuneration of the members of the Board of Directors

The Shareholders' Nomination Board proposes to the Annual General Meeting that the following remuneration be paid to the members of the Board during the next term:

- Annual remuneration of the Chairman EUR 85,000
- Annual remuneration of the Vice-Chairman EUR 50,500
- Annual remuneration of the members EUR 40,250
- Annual remuneration of the Chairman of the Audit Committee EUR 50,500

Additionally, the following attendance fees shall be paid for each Board and Committee meeting: EUR 625 for members residing in Finland, EUR 1,300 for members residing elsewhere in Europe and EUR 2,600 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 625. Travel expenses are proposed to be reimbursed in accordance with the Company's travel policy.

In addition, the Nomination Board proposes the annual remuneration of the Board to be paid as a combination of the Company's 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.

13. 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 seven (7).

14. Election of the members of the Board of Directors

The Shareholders' Nomination Board proposes, for a term that ends at the end of the Annual General Meeting 2022 Dag Andersson, Kari Kauniskangas, Åse Aulie Michelet, Niko Mokka, Katri Viippola and Tomas von Rettig to be re-elected as members of the Board and Kristian Pullola to be elected as a new member of the Board.

Lasse Heinonen has announced that he is not available for re-election to the Board of Directors.

Nomination Board recommends that Kari Kauniskangas is re-elected as the Chairman of the Board and Tomas von Rettig as the Vice Chairman of the Board.

All candidates have given their consent to the position and the Nomination Board has assessed all candidates to be independent of the Company. Dag Andersson, Kari Kauniskangas, Åse Michelet and Kristian Pullola are also independent of major shareholders.

The curriculum vitae of the proposed new member of the Board, Kristian Pullola, is attached to this notice. The biographical details of Board members proposed for re-election can be found at Company website: <https://www.terveystalo.com/en/Company/Contact-information/Board-of-Directors/>

15. 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.

16. Election of the auditor

In accordance with the Audit Committee's recommendation, the Board of Directors proposes that KPMG Oy Ab, a firm of authorised 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.

The proposal of the Board of Directors including the recommendation of the Audit Committee is available on the Company's website <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/>.

17. 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 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 2022.

18. 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:

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

19. 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 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.

20. Closing of the meeting

B. Documents of the Annual General Meeting

The proposals for resolutions on the matters on the agenda of the 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-2021/>. The Remuneration Policy, the Annual Report of Terveystalo Plc, which includes the Company's Financial Statements, the Report of the Board of Directors and the Auditor's Report, and the Remuneration Report will be published during week 7, after which they will be available on the same website. The minutes of the Annual General Meeting will be available on the above-mentioned website on 8 April 2021 at the latest.

C. Instructions for the participants in the Annual General Meeting

In order to prevent the spread of the Covid-19 pandemic, the Meeting will be organized so that the shareholders and their proxies are not allowed to be present at the Meeting venue. Shareholders and their proxies cannot participate in the Meeting through real-time telecommunications or technical means either. The Company's shareholders and their proxies can participate in the Meeting and use shareholder rights only by voting in advance and by submitting counterproposals and asking questions in advance in accordance with the instructions presented below.

1. Shareholder registered in the shareholders' register

Each shareholder, who on the record date of the General Meeting, 15 March 2021, is registered in the Company's shareholders' register held by Euroclear Finland Oy, has the right to participate in the Annual General Meeting. A shareholder whose shares are registered on his/her personal Finnish book-entry account is registered in the Company's shareholders' register. Shareholders cannot participate in the meeting by any other means than voting in advance in the manner instructed below as well as by submitting counterproposals and asking questions in advance.

2. Registration and advance voting

Registration for the meeting and advance voting will begin on 24 February 2021 following the deadline for submitting counterproposals. A shareholder with a Finnish book-entry account, who wishes to participate in the Annual General Meeting by voting in advance, must register for the Meeting and vote in advance no later than by 18 March 2021 at 4:00 p.m. (EET) by which time the registration and votes need to be received.

In connection with the registration, a shareholder is required to provide the requested information, such as his/her name, personal identification number, address and telephone number as well as the name and personal identification number of a possible proxy representative. The personal data given to Terveystalo Plc and Euroclear Finland Ltd will be used only in connection with the General Meeting and with the processing of related registrations necessary.

Shareholders with a Finnish book-entry account may register and vote in advance on certain matters on the agenda of the Annual General Meeting from 9.00 a.m. (EET) on 24 February 2021 until 4.00 p.m. (EET) on 18 March 2021 by the following manners:

- a) through the Company's website at <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/>

The Finnish personal identity code or business ID and book-entry account number of the shareholder is needed for the electronic voting in advance. When shareholders who are natural persons log into the service of Euroclear Finland Ltd through the Company's website, they are directed to the strong electronic authentication. For shareholders that are legal persons, no strong electronic authentication is required. Strong electronic authentication can be conducted with online banking codes or a mobile certificate.

- b) by regular mail or email

A shareholder may send the advance voting form available on the Company's website or corresponding information to Euroclear Finland Oy by regular mail to Euroclear Finland Oy, Yhtiökokous/Terveystalo Oyj, P.O. Box 1110, FI-00101 Helsinki or by email at yhtiokokous@euroclear.eu. If the shareholder participates in the meeting by sending the votes in advance by regular mail or by email to Euroclear Finland Ltd, the delivery of the votes before ending of the registration period and the advance voting shall constitute registration for the Annual General Meeting, if the

above-mentioned information required for the registration is delivered at the same time and the documents are received at the latest by 18 March 2021 at 4:00 p.m. (EET).

Instructions relating to the advance voting may also be found on the Company's website

<https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/>.

3. Proxy representatives and powers of attorney

A shareholder may participate in the Annual General Meeting through a proxy representative. Also the proxy representative of a shareholder may only participate by voting in advance in the manner instructed above.

A proxy representative shall provide a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder. Should a shareholder participate 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.

A template for proxy document and voting instructions will be available on the Company's website

<https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/> at the latest on 24 February 2021, when the period for making counterproposals to be placed for a vote has ended.

Proxy documents should be delivered to Euroclear Finland Ltd by mail Euroclear Finland Oy, Yhtiökokous/Terveystalo Oyj, P.O. Box 1110, FI-00101 Helsinki or by email to yhtiokokous@euroclear.eu before the last date for registration, by which time the proxy documents must be received.

4. Holders of nominee-registered shares

A holder of nominee-registered shares has the right to participate in the Annual General Meeting by virtue of such shares, based on which he/she on the record date of the Annual General Meeting, i.e. on 15 March 2021, would be entitled to be registered in the shareholders' register of the Company held by Euroclear Finland Ltd. The right to participate in the Annual General Meeting requires, in addition, that the shareholder on the basis of such shares has been registered into the temporary shareholders' register held by Euroclear Finland Ltd at the latest by 22 March 2021 by 10:00 a.m. (EET). As regards nominee-registered shares this constitutes due registration for the Annual General Meeting.

A holder of nominee-registered shares is advised to request without delay necessary instructions regarding the temporary registration in the shareholders' register of the Company, the issuing of proxy documents and registration for the Annual General Meeting from his/her custodian bank. The account management organization of the custodian bank shall temporarily register a holder of nominee-registered shares, who wants to participate in the Annual General Meeting, into the shareholders' register of the Company at the latest by the time stated above. In addition, the account management organization of the custodian bank shall arrange advance voting on behalf of the holders of nominee registered shares within the registration period for nominee-registered shares.

5. Other instructions/information

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 no later than by 23 February 2021 at 4:00 p.m. (EET). In connection with making a counterproposal, shareholders are required to provide adequate evidence of shareholding. The counterproposal will be placed for a vote

subject to the shareholder having the right to participate in the Annual General Meeting and that the shareholder holds at least one hundredth of all shares in the Company on the record date of the Annual General Meeting. Should the counterproposal not be placed for a vote at the meeting, advance votes in favour of the proposal will not be taken into account. The Company will on 24 February 2021 at the latest publish on its website at <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/> the counterproposals, if any, that may be voted on.

A shareholder has the right to ask questions referred to in Chapter 5, Section 25 of the Finnish Limited Liability Companies Act with respect to the matters to be considered at the meeting. Such questions must be sent by email to agm@terveystalo.com or by mail to Terveystalo Oyj, Yhtiökokous/Lakiasiat & Compliance, Jaakonkatu 3, FI-00100 Helsinki, Finland no later than 11 March 2021 at 4:00 p.m. (EET). Such questions from shareholders, the Company's management's answers to them, and any counterproposals that have not been placed for a vote are available on the Company's website at <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/> on 16 March 2021 at the latest. In connection with asking questions and making counterproposals, shareholders are required to provide adequate evidence of shareholding.

Information on the General Meeting required by the Finnish Limited Liability Companies Act and the Securities Markets Act is available on the Company's website at <https://www.terveystalo.com/en/investors/Corporate-governance/General-Meeting-of-Shareholders/AGM-2021/>.

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

Changes in shareholding after the record date of the Annual General Meeting do not affect the right to participate in the General Meeting or the number of voting rights held in the General Meeting.

In Helsinki, 16 February 2021

TERVEYSTALO PLC
The Board of Directors

Distribution:

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Main news media

www.terveystalo.com