

Proposals of Terveystalo's Board of Directors to the Annual General Meeting 2024

Terveystalo Plc's Board of Directors has decided to propose to the Annual General Meeting to be held on 26 March 2024 that a total dividend of EUR 0.30 per share be paid for 2023. The Board of Directors proposes that the dividend is paid in two instalments. The Board further proposes the adoption of the Financial Statements, approval of the Remuneration Report for governing bodies and the amended Remuneration Policy for the governing bodies, authorizing the Board to decide on the repurchase and/or on the acceptance as pledge of the Company's own shares, on the issuance of shares and the issuance of special rights entitling to shares and authorizing the Board to decide on charitable donations. The Board proposes that KPMG Oy Ab be elected as the Company's auditor and sustainability reporting assurance provider.

The Annual General Meeting of Terveystalo Plc will be held on Tuesday, 26 March 2024, starting at 3:00 p.m. EET. The Company's shareholders and their proxy representatives may also participate in the Annual General Meeting by voting in advance in a manner specified in the notice to the Annual General Meeting. The notice to the Annual General Meeting is expected to be published on 22 February 2024 as a stock exchange release and on the Company's website.

In addition to the matters specified for the agenda of the Annual General Meeting in section 11 of the Company's Articles of Association, the below proposals by the Board of Directors will be handled by the Annual General Meeting. The proposals of the Shareholders' Nomination Board to the Annual General Meeting have been published by a separate stock exchange release on 28 November 2023.

Adoption of the Financial Statements

The Board of Directors proposes that the Annual General Meeting adopt the Financial Statements for 2023.

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

The parent company's distributable funds totaled EUR 535.9 (530.8) million, of which EUR 40.5 (23.7) million is result for the financial year. The Board of Directors proposes to the Annual General Meeting that a total dividend of EUR 0.30 per share (which corresponds to a total of approximately EUR 38 million with the current number of shares in the Company) be paid based on the balance sheet adopted for the financial year ended 31 December 2023.

The dividend would be paid in two instalments as follows:

- The first dividend instalment of EUR 0.15 per share would be paid to shareholders who are entered in the shareholders' register of the Company maintained by Euroclear Finland Oy on the record date of the first dividend instalment 28 March 2024. The Board of Directors proposes that the first dividend instalment would be paid on 8 April 2024.
- The second dividend instalment of EUR 0.15 per share would be paid to shareholders who are entered in the shareholders' register of the Company maintained by Euroclear Finland Oy on the record date of the second dividend instalment 9 October 2024. The Board of Directors proposes that the second dividend instalment would be paid on 16 October 2024. The Board of Directors also proposes that the Annual General Meeting would authorize the Board of Directors to resolve, if necessary, on a new record date and date of payment for the second dividend instalment should the rules of Euroclear Finland Oy or statutes applicable to the Finnish book-entry system change or otherwise so require.

Handling of the Remuneration Report for governing bodies

The Board of Directors proposes that the Annual General Meeting approve the 2023 Remuneration Report for governing bodies.

Handling of the amended Remuneration Policy for governing bodies

The Board of Directors proposes amendments to the Company's Remuneration Policy for governing bodies, which was last approved at the Annual General Meeting held on 7 April 2022, to be addressed by the Annual General Meeting. The Remuneration Policy is amended so that the maximum amount of the CEO's short-term incentive in relation to the annual base salary is increased from 120 percent to 150 percent. The purpose of the amendment is to increase the proportion of performance-based remuneration.

Amendment to the Remuneration Policy: The CEO's short-term incentive opportunity at the maximum level of performance may not exceed 150 percent of the annual base salary (increased from 120 percent to 150 percent).

Resolution on the remuneration of the auditor

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

Election of the auditor

The Board of Directors proposes to the Annual General Meeting, based on the recommendation of the Audit Committee, 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 2025. KPMG Oy Ab has announced that Henrik Holmbom, APA, would be acting as the principally responsible auditor.

The Audit Committee confirms that its recommendation is free from influence by a third party and that no clause of the kind referred to in paragraph 6 of Article 16 of the EU Audit Regulation (No. 537/2014), which would restrict the Annual General Meeting's choice regarding the election of the auditor, has been imposed upon the Audit Committee.

Resolution on the remuneration of the sustainability reporting assurance provider

The Board of Directors proposes to the Annual General Meeting, based on the recommendation of the Audit Committee, that the sustainability reporting assurance provider's fee be paid against an invoice approved by the Company.

Election of the sustainability reporting assurance provider

The Board of Directors proposes to the Annual General Meeting, based on the recommendation of the Audit Committee, that authorised sustainability audit firm KPMG Oy Ab be elected as the sustainability reporting assurance provider of the Company for the term of office ending at the end of the Annual General Meeting of the year 2025. KPMG Oy Ab has announced that Henrik Holmbom, APA and Authorized Sustainability Auditor (ASA), would be acting as the principally responsible sustainability reporting assurance provider.

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 12,703,653 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 also 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 2025.

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 the issuance of 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 under the authorization shall not exceed 12,703,653 shares, which corresponds to approximately 10 per cent of all shares in the Company. The shares issued under the authorization may be new shares or treasury shares held by 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 2025.

Authorizing the Board of Directors to resolve on donations for charitable purposes

The Board of Directors proposes to the Annual General Meeting 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 2025 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 and the Remuneration Policy and Report will be published as a stock exchange release and will be available to shareholders on the Company's website 22 February 2024.

Terveystalo Plc
The Board of Directors