

PROPOSALS TO THE ANNUAL GENERAL MEETING

PROPOSALS OF THE SHAREHOLDERS' NOMINATION BOARD TO TELESTE'S ANNUAL GENERAL MEETING

The General Meeting of Shareholders of Teleste Corporation, held on April 22, 2020, decided, by proposal of Teleste's Board of Directors, to set up a Shareholders' Nomination Board. The Nomination Board has submitted its proposals to Teleste's Board of Directors, to be presented to the Annual General Meeting of 2023.

Resolution on the number of members of the Board of Directors

The Shareholders' Nomination Board proposes to the General Meeting that the number of the members of the Board of Directors remains unchanged and would be six (6).

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

The Shareholders' Nomination Board proposes to the General Meeting that the remuneration of the Board of Directors remains unchanged and that the following annual remuneration be paid to the members of the Board of Directors to be elected at the General Meeting: EUR 66,000 per year for the chairman and EUR 33,000 per year for each member. The annual remuneration of the member of the Board of Directors who acts as the chairman of the Audit Committee would be EUR 49,000 per year.

It is proposed that out of the annual remuneration to be paid to the members of the Board of Directors, 40 per cent of the total gross remuneration amount will be used to purchase Teleste Corporation's shares for the members of the Board of Directors through trading on regulated market organized by Nasdaq Helsinki Ltd, and the rest will be paid in cash.

No separate meeting fee will be paid to the members of the Board of Directors and the chairman of the Audit Committee. The members of the Board of Directors' Audit Committee will be paid a meeting fee of EUR 400 for the Audit Committee's meetings in which they attend.

Election of the members of the Board of Directors

The Shareholders' Nomination Board proposes to the General Meeting that the following current members of the Board of Directors be re-elected as ordinary members of the Board of Directors for a term that will continue until the end of the next Annual General Meeting: Timo Luukkainen, Jussi Himanen, Vesa Korpimies, Mirel Leino-Haltia, Heikki Mäkijärvi and Kai Telanne.

All persons mentioned have been assessed to be independent of the Company and its significant shareholders, with the exception of Timo Luukkainen and Vesa Korpimies, who have been assessed to be independent of the Company but not of its significant shareholders on the following grounds: Timo Luukkainen acts as the chairman of Tianta Oy's Board of Directors and Vesa Korpimies acts as the CEO and member of the Board of Directors of Tianta Oy.

All persons proposed as members of the Board of Directors have given their consent to the election.

PROPOSALS OF THE BOARD OF DIRECTORS TO TELESTE'S ANNUAL GENERAL MEETING

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

The Board of Directors proposes to the General Meeting that no dividend be paid based on the adopted balance sheet for the financial year that ended on 31 December 2022.

Remuneration Report

The Board of Directors proposes that the remuneration report of the Company's governing bodies for 2022 be approved. The resolution is advisory in accordance with the Finnish Companies Act.

The remuneration report is available on the Company's website www.teleste.com/AGM no later than three weeks before the General Meeting.

Resolution on the number of auditors

The Board of Directors proposes, in accordance with the Audit Committee's recommendation, that one (1) auditor be elected for the company.

Resolution on the remuneration of the auditor

The Board of Directors proposes, in accordance with the Audit Committee's recommendation, that the auditor's fee would be paid according to an invoice approved by the Company.

Election of the auditor

The Board of Directors proposes, in accordance with the Audit Committee's recommendation, that PricewaterhouseCoopers Oy, Authorized Public Accountant firm, be elected as the Company's auditor for a term that will continue until the end of the next Annual General Meeting. PricewaterhouseCoopers Oy has informed that Markku Launis, Authorized Public Accountant, would act as the principally responsible auditor if PricewaterhouseCoopers Oy is elected as the Company's auditor.

Amending the Articles of Association – Number of auditors

The Board of Directors proposes to the General Meeting that Article 8 of the Company's Articles of Association be amended to correspond the market practice of listed companies in such a way that, in the future, the Company shall have one auditor, which must be an Authorized Public Accountant firm as referred to in the Finnish Auditing Act and which shall designate an Authorized Public Accountant as the auditor with principal responsibility. According to Article 8 of the current Articles of Association, the Company has 1-2 auditors.

The provision of the Articles of Association in question (Article 8) reads, as amended, as follows:

8 § Auditor

The company's auditor shall be an Authorized Public Accountant firm which shall designate an Authorized Public Accountant as the auditor with principal responsibility.

The auditor's term shall end at the conclusion of the first Annual General Meeting of Shareholders following the auditor's election.

In addition, the Board of Directors proposes to the Annual General Meeting that, in the same context, items 7 and 9 of Article 10 of the Articles of Association be amended accordingly in such a way that, in the future, there is no longer a need to make a resolution on the number of the auditors at the Annual General Meeting.

The provision of the Articles of Association in question (Article 10) reads, as amended, as follows:

10 § Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders shall be held annually on the date decided by the Board of Directors by the end of June in Kaarina, Turku or Helsinki.

At the meeting, the following shall be presented

1. the financial statements, which include the consolidated financial statements, and the report of the Board of Directors;
2. the Auditor's Report;

resolved upon

3. the adoption of the financial statements and the consolidated financial statements;
4. use of the profit shown on the balance sheet;
5. discharging the members of the Board of Directors and the Managing Director from liability;
6. the number of, and the fee payable to, the members of the Board of Directors;
7. the fee payable to the auditor;

elected

8. the members of the Board of Directors;
9. the auditor;

as well as considered

10. any other matters stated in the notice of the meeting.

Amending the Articles of Association – Remote meeting and newspaper announcement

The Board of Directors proposes to the General Meeting that Article 9 of the Company's Articles of Association be amended in such a way that a new last paragraph shall be added to it, which enables the organization of General Meetings in the future also entirely without a meeting venue as a remote meeting. The amendments do not affect the possibility to arrange the General Meeting as a traditional General Meeting or as a hybrid meeting. Further, the Company's obligation to announce the time and place of the General Meeting as well as the address of the Company's website in at least one newspaper, would be amended as voluntary.

The provision of the Articles of Association in question (Article 9) reads, as amended, as follows:

9 § Notice of Meeting

Notice of the General Meeting of Shareholders shall be announced on Company's website no earlier than two (2) months and no later than three (3) weeks prior to the General Meeting of Shareholders, however, at least nine (9) days prior to the record date of the General Meeting of Shareholders. Within the same time the Company may, if so resolved by the Board, announce the time and place of the General Meeting of Shareholders as well as the address of the Company's website in a newspaper regularly published in Finland.

A shareholder wishing to participate in the General Meeting of Shareholders shall notify the Company at the latest on date stated in the notice of the meeting, which date shall be no earlier than ten (10) days prior to the meeting.

The Board of Directors may decide that the Company's General Meeting of Shareholders is arranged without a meeting venue so that the shareholders exercise their full decision-making powers in real time by the use of telecommunication connections and technical means during the meeting (remote meeting).

In other respects, the Articles of Association are proposed to remain unchanged.

Authorizing the Board of Directors to decide on the repurchase of the Company's own shares

The Board of Directors proposes that the General Meeting would resolve on authorizing the Board of Directors to decide on repurchasing a maximum of 1,200,000 own shares of the Company.

The Company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through trading on regulated market organized by Nasdaq Helsinki Ltd at the market price prevailing at the time of acquisition.

The shares shall be repurchased and paid in accordance with the rules of Nasdaq Helsinki Ltd and Euroclear Finland Ltd.

The shares shall be repurchased for use as consideration in possible acquisitions or other arrangements related to the Company's business, as financing for investments, to disburse the remuneration of the members of the Board of Directors or as part of the Company's incentive program or to be held by the Company, to be conveyed by other means or to be cancelled.

The Board of Directors shall decide on other terms and conditions related to the repurchase of the Company's own shares.

The repurchase authorization shall be valid for eighteen (18) months from the resolution of the General Meeting. The repurchase authorization revokes previously granted repurchase authorizations.

Authorizing the Board of Directors to decide on the issuance of shares and special rights entitling to shares

The Board of Directors proposes to the General Meeting that the Board of Directors would be authorized to decide on

- (i) issuing new shares and/or
- (ii) conveying the Company's own shares held by the Company and/or
- (iii) granting special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act on the following terms and conditions:

Right to shares:

New shares may be issued, and the Company's own shares held by the Company may be conveyed

-to the Company's shareholders in proportion to their current shareholdings in the Company; or

-by waiving the shareholder's pre-emption right, through a directed share issue if the Company has a weighty financial reason to do so, such as using the shares as consideration in possible acquisitions or other arrangements related to the Company's business, as financing for investments or using the shares for disbursing the portion of the Board of Directors' members' remuneration that is to be paid in shares or using the shares as part of the Company's incentive program.

The new shares may also be issued without payment to the Company itself.

Share issue against payment and without payment:

New shares may be issued, and the Company's own shares held by the Company may be conveyed either against payment ("Share Issue Against Payment") or without payment ("Share Issue Without Payment"). A directed share issue may be a Share Issue Without Payment only if there is an especially weighty financial reason both for the Company and with regard to the interests of all shareholders in the Company.

Maximum number of shares:

Based on the authorization, the Board of Directors is entitled to decide on the issuance of new shares and/or conveyance of the Company's own shares held by the Company so that a maximum of 2,000,000 shares may be issued and/or conveyed in total.

Granting of special rights:

The Board of Directors may grant special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act, which carry the right to receive against payment new shares or the Company's own shares held by the Company. The right may also be granted to the Company's creditor in such a manner that the right is granted on condition that the creditor's receivable is used to set off the subscription price ("Convertible Bond").

The maximum number of new shares that may be subscribed and the Company's own shares held by the Company that may be conveyed by virtue of the special rights granted by the Company is 1,000,000 shares in total which number is included in the maximum number stated in Section "Maximum number of shares".

Recording of the subscription price in the balance sheet:

The subscription price of the new shares and the consideration payable for the Company's own shares shall be recorded under the invested non-restricted equity fund.

Other terms and validity:

The Board of Directors shall decide on all other terms and conditions related to the authorizations.

The authorizations shall be valid for eighteen (18) months from the resolution of the Annual General Meeting. The authorizations revoke previously granted authorizations to decide on the issuance of shares and special rights entitling to shares.