

# FORTUM'S BIODIVERSITY TARGETS AND TRANSITION PLAN

November 2025

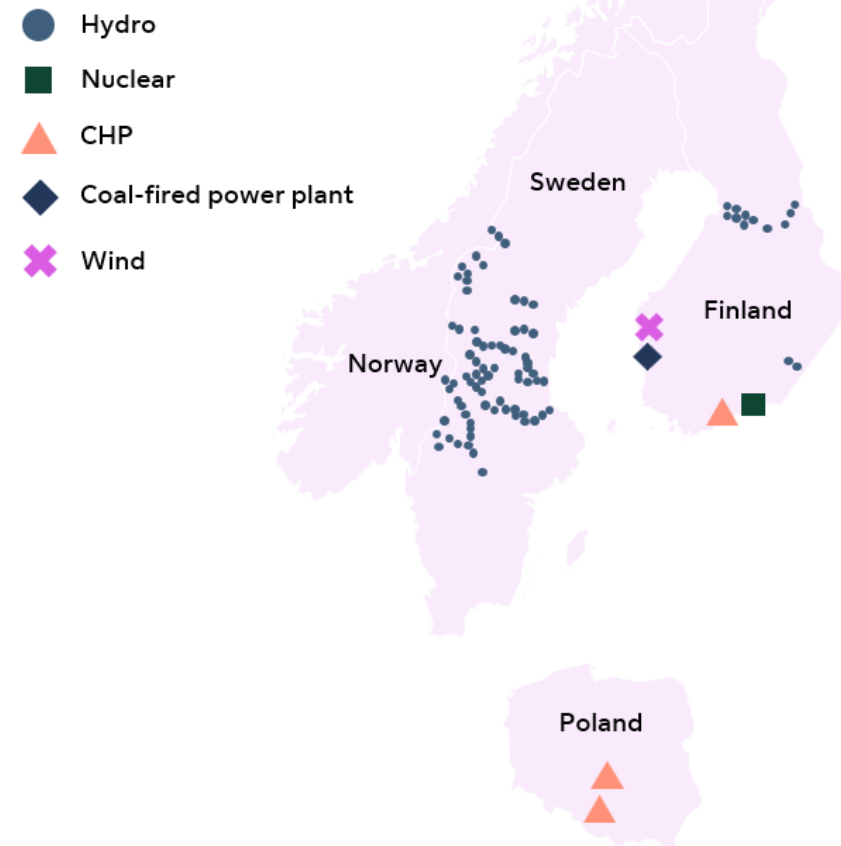
# Nature is an integrated part of Fortum's purpose

Our purpose is to power a world where people, businesses and **nature** thrive together; therefore, our strategy is only credible with specific commitments to climate and biodiversity.

Fortum's core is in reliable and flexible energy production methods like nuclear power and hydro power. At the same time, Fortum aims to accelerate the transition to a low-emission energy system by investing in solar and wind power and exploring opportunities in green hydrogen and new nuclear. In 2024, Fortum's power generation was 99% from renewable or nuclear sources, with one of the lowest specific CO<sub>2</sub>-emissions in Europe.

Our operations, like all energy production, have effects on the surrounding environments. When designing new power plants and renovating old ones, environmental impacts need to be considered. Fortum has set targets to reduce emissions in both own operations and value chain in line with the Paris Agreement. Through a separate set of biodiversity targets we aim to also actively manage our impacts on aquatic and terrestrial ecosystems.

## Fortum's own operations on a map<sup>1</sup>



<sup>1)</sup> Includes only sites where Fortum has operational control.

# We are now publishing our first biodiversity transition plan

This transition plan outlines how Fortum manages its impacts on nature and how it contributes to the Kunming Montreal Global Biodiversity Framework. The transition plan introduces Fortum's current impacts on biodiversity, our biodiversity targets and the key actions to deliver on those targets as well as frameworks used to execute on those targets.

While biodiversity loss is caused through different pressures, including climate change, this transition plan focuses on impacts that directly impact aquatic and terrestrial ecosystems. Fortum's actions on climate change are addressed in our [climate transition plan](#).

This transition plan applies to both Fortum's own operations and supply chain. The transition plan will be updated over time, and progress on delivering on the targets will be reported annually as part of the annual sustainability report.



# We are committed to contributing to the globally recognized Kunming-Montreal Global Biodiversity Framework

## Fortum’s contribution to the biodiversity frameworks

Fortum is committed to contributing to the globally recognised frameworks and agendas on ensuring sustainable development, including the Kunming-Montreal Global Biodiversity Framework (GBF) which aims to halt and reverse biodiversity loss by 2030.

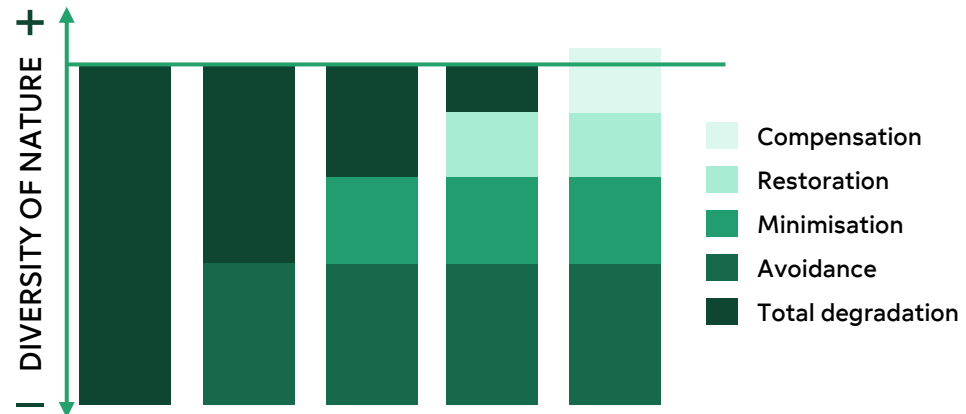
We see that our environmental efforts positively contribute mainly to the following targets in the Kunming-Montreal GBF:

|    |                                                                                         |
|----|-----------------------------------------------------------------------------------------|
| 1  | Plan and Manage all Areas To Reduce Biodiversity Loss                                   |
| 2  | Restore 30% of all Degraded Ecosystems                                                  |
| 4  | Halt Species Extinction, Protect Genetic Diversity, and Manage Human-Wildlife Conflicts |
| 8  | Minimize the Impacts of Climate Change on Biodiversity and Build Resilience             |
| 11 | Restore, Maintain and Enhance Nature’s Contributions to People                          |
| 15 | Businesses Assess, Disclose and Reduce Biodiversity-Related Risks and Negative Impacts  |

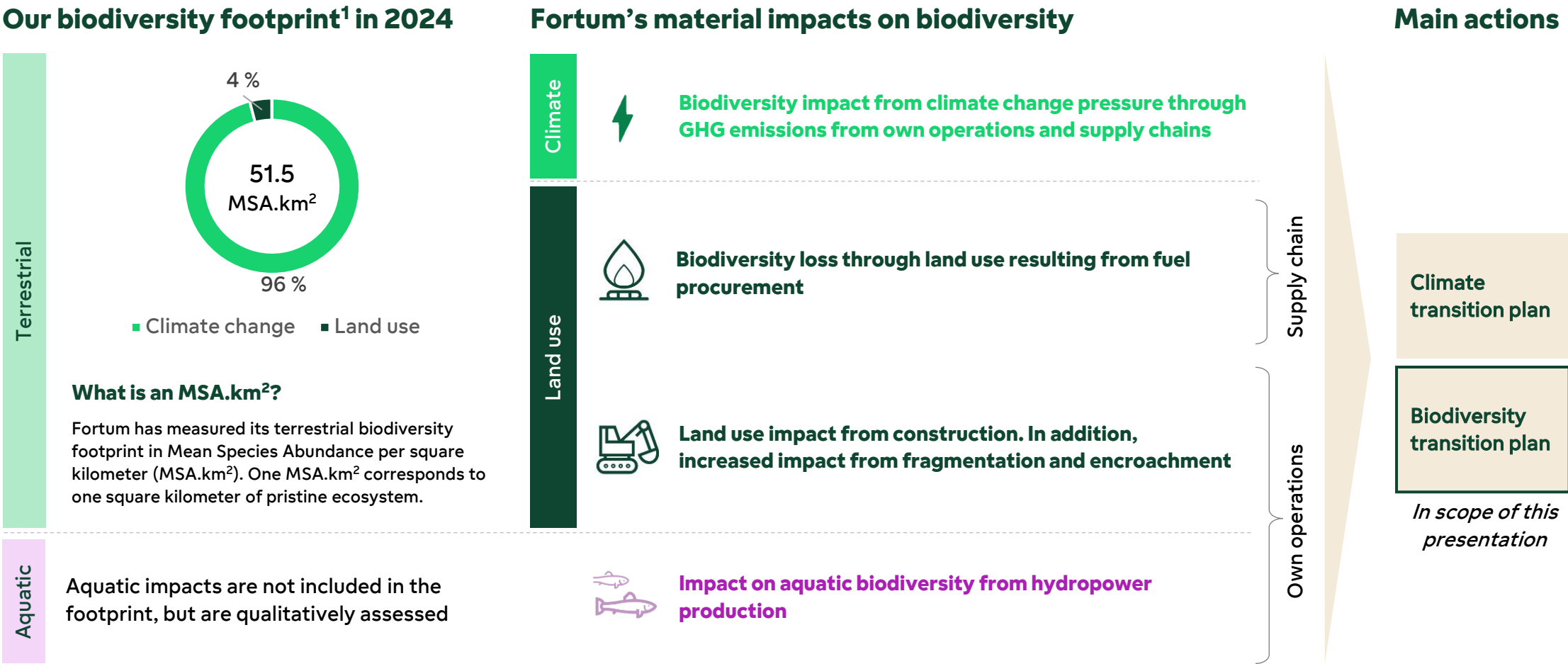
## We work according to the ecological mitigation hierarchy

Ecological mitigation hierarchy is a widely accepted principle in mitigating impacts on biodiversity. Fortum is committed to managing all impacts on biodiversity, terrestrial and aquatic, in its own operations and in supply chains, according to the mitigation hierarchy.

According to the ecological mitigation hierarchy negative impacts on biodiversity should first be avoided and second be minimized. After this, impacted ecosystems should be restored. As a last resort, residual negative impacts should be compensated either in or outside impacted area.



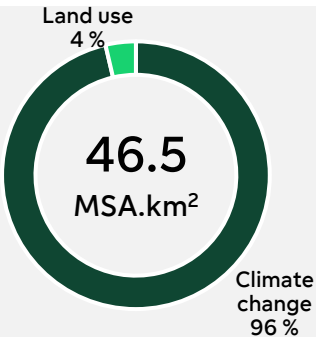
# We affect both aquatic and terrestrial biodiversity, >95% of current terrestrial impact is from climate change pressure



# Supply chain impacts dominate 2024 terrestrial footprint<sup>1</sup>, but growth in renewables increases own operations' share

## Impacts from supply chain

- The majority of impacts result from GHG emissions in supply chains, especially from procuring electricity which is re-sold to our customers.
- Other impacts result from land use impacts of procuring both bio- and fossil-based fuels.

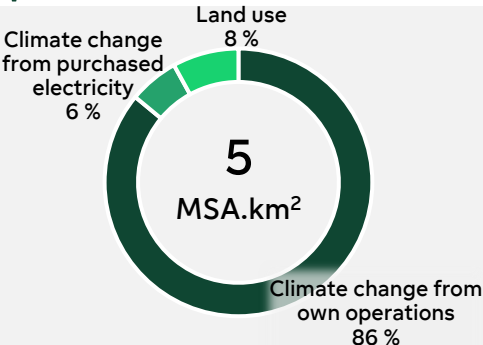


Land use impact from procured bio and fossil-based fuels

Climate change impact from procured electricity for customers

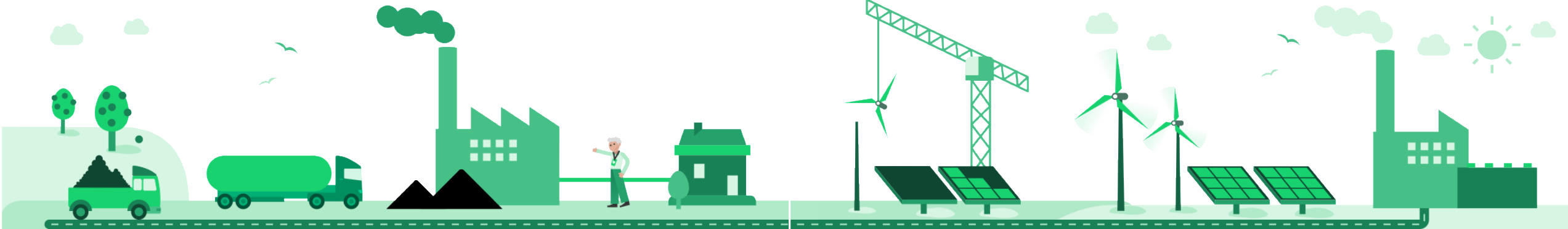
## Impacts from own operations

- The majority of impacts result from GHG emissions from own operations and from purchased electricity for own operations.
- Remaining impacts are land use impacts from constructing the Pjelax wind park, which was done in 2024.



Land use impact from construction

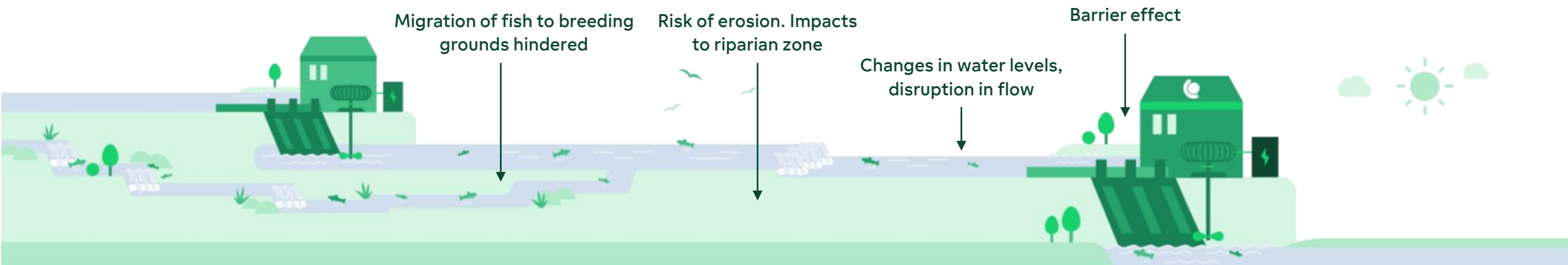
Climate change impact from emissions in own operations



1) Source: GBS 1.4.2, November 2025, Heikki Holmén

# Our hydropower production has impacts on aquatic biodiversity and riparian habitats

- Damming rivers creates barriers that disrupt natural water flow, hindering fish migration and the movement of other fauna and ecological substances such as sediments. Some affected river species are already threatened.
- Regulating rivers changes the natural fluctuation and rhythm of water discharge and levels, impacting habitats such as breeding grounds for migratory fish and altering ecosystems, including flora and fauna. These effects can occur in rivers, lakes, and riparian zones, where erosion risk increases.
- Additionally, variations in water levels and flow within reservoirs and regulated lakes can alter riparian habitats and affect fish populations.



# Our targets are designed to address impacts directly affecting ecosystems and species in own operations and supply chain

## Our biodiversity targets...

|                |             |   |                                                                                                          |
|----------------|-------------|---|----------------------------------------------------------------------------------------------------------|
| Own operations | Aquatic     | 1 | Increase the ecological value in river stretches where actions have the most ecological benefit, by 2040 |
|                | Terrestrial | 2 | Achieve a net positive impact on land use for our own operations 2030 onwards                            |
| Supply chain   | Terrestrial | 3 | No increase in land use impact from procured biomass in existing operations from 2024 levels             |

## ...are rooted in our purpose and strategy

- Fortum’s sustainability targets are rooted in the company’s purpose to power a world where people, businesses and nature thrive together and reflect a strategic commitment to environmental sustainability
- Fortum’s biodiversity targets are designed to address impacts that directly affect ecosystems and species through hydropower production and land use change
- While climate change is a major driver of biodiversity loss globally, Fortum has made a strategic decision to exclude climate pressures from its biodiversity targets as it is already comprehensively addressed through Fortum’s SBTi-validated climate targets
- Key actions for reaching the targets are outlined in our biodiversity transition plan

# Our biodiversity transition plan

Fortum's biodiversity transition plan is a roadmap toward a thriving future for people, businesses and nature. It outlines key initiatives with clear milestones that bring our biodiversity targets to life. Long-term targets are outlined with vision, leaving room for innovation and adaptation. The transition plan will be updated over time to ensure that outlined actions are concrete and aligned with science, policy, and stakeholder expectations.

| Our targets / timeline |             | 2025                                                                                                     | 2026                                                                                                                                                         | 2027                                                                                                 | 2030                                                                                                                                          | 2035                                                                                                                                | 2040                                                                                                                                                |
|------------------------|-------------|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Own operations         | Aquatic     | Increase the ecological value in river stretches where actions have the most ecological benefit, by 2040 | Pilot project with CSI <sup>1</sup> in Sweden for quantifying impact of our actions<br><b>1 biodiversity action in Finland<sup>2</sup></b>                   | Implement biodiversity KPIs<br>Complete a systematic assessment to identify ecological value         | <b>10 obsolete dams removed in Sweden<sup>3</sup></b><br><b>+1 biodiversity action undertaken in Finland</b>                                  | <b>+2 biodiversity actions undertaken in Finland<sup>2</sup></b><br><b>+4 biodiversity actions undertaken in Sweden<sup>2</sup></b> | <b>In total 30 obsolete dams removed in Sweden<sup>3</sup></b><br><b>In total at least 15 biodiversity actions undertaken 2025-2035<sup>2</sup></b> |
|                        |             |                                                                                                          | Submit applications for biodiversity actions in accordance with the National plan for hydropower in Sweden                                                   |                                                                                                      |                                                                                                                                               |                                                                                                                                     |                                                                                                                                                     |
|                        |             |                                                                                                          | Contribute to habitat restorations                                                                                                                           |                                                                                                      |                                                                                                                                               |                                                                                                                                     |                                                                                                                                                     |
|                        |             |                                                                                                          | Participate in R&D initiatives                                                                                                                               |                                                                                                      |                                                                                                                                               |                                                                                                                                     |                                                                                                                                                     |
| Supply chain           | Terrestrial | Achieve a net positive impact on land use for our own operations 2030 onwards                            | Conduct BFA <sup>4</sup> for 2024, incl. Pjelax wind power project<br>Pilot projects on measuring biodiversity impact and actions for greenfield investments | Implement biodiversity KPIs<br>Begin regular BFA updates to monitor progress on targets              | <b>50% of new wind and solar projects that reach Ready-to-Build in 2027 have plans in place for how to reach net positive land use impact</b> | Net positive impact on land use from own operations 2030 onwards                                                                    |                                                                                                                                                     |
|                        |             |                                                                                                          | Assessment on biodiversity impact from procured biomass<br>Ensure that increase in biomass use is done through purchasing certified residual biomass         | Implement biodiversity KPIs<br>Begin regular BFA <sup>4</sup> updates to monitor progress on targets |                                                                                                                                               |                                                                                                                                     |                                                                                                                                                     |

- 1) Composite Suitability Index – a potential methodology for measuring aquatic biodiversity.
- 2) Compared to 2024. Subject to permit processes. Actions can include both voluntary and mandatory actions
- 3) Compared to 2024. Subject to local acceptance and environmental permits.
- 4) Biodiversity Footprint Assessment of company's impact on biodiversity, done with Global Biodiversity Score®

Continuous

Key action

Milestone

Target

# Glossary

| Word                                    | Definition                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Biodiversity Footprint Assessment (BFA) | Assessment of company's impact on biodiversity, done with Global Biodiversity Score® –tool. Includes impacts from own operations (Scope 1 & 2) and supply chains (Upstream Scope 3).                                                                                                                                                                                                           |
| Biodiversity Action                     | Targeted measure or initiative aimed at protecting, restoring, or enhancing biodiversity                                                                                                                                                                                                                                                                                                       |
| Global Biodiversity Score® (GBS®) -tool | The GBS® Tool, developed by CDC Biodiversité, is a methodology for measuring the biodiversity footprint, across both direct operations and the value chain.                                                                                                                                                                                                                                    |
| Increase in ecological value            | Increase in ecological value (integrity of the habitat) is compared to current state of the river stretches where Fortum operates.                                                                                                                                                                                                                                                             |
| MSA and MSA.km <sup>2</sup>             | Mean Species Abundance (MSA) is a measure of the average abundance of native species in a given area compared to their abundance in an undisturbed ecosystem. It ranges from 1, for pristine undisturbed nature to 0, complete loss of native biodiversity. When expressed as impact of MSA.km <sup>2</sup> , it presents the extent of biodiversity impact, from 1 to 0 in square kilometers. |
| Net positive impact on biodiversity     | A state where positive impacts on land use outweigh the negative impacts. Impact is achieved following the mitigation hierarchy.                                                                                                                                                                                                                                                               |
| Obsolete dam                            | Barriers that are no longer needed for renewable energy generation, inland navigation, water supply, flood protection or other use.                                                                                                                                                                                                                                                            |
| River stretch                           | Specific segment or portion of a river. Limited to Fortum operated hydropower plants or natural discontinuities                                                                                                                                                                                                                                                                                |
| The most ecological benefit             | Location where actions are assessed to have the most benefit for nature compared to other locations within Fortum's Hydro operations.                                                                                                                                                                                                                                                          |