

Fortum Financial Statements Bulletin

January-December 2024



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Financial results discussed in this report comprise the continuing operations of the Fortum Group. Figures in brackets refer to the comparison period, i.e. the same period last year, unless otherwise stated.

Good generation optimisation in warm, wet and windy conditions in 2024

October–December 2024

- Comparable EBITDA was EUR 355 (459) million.
- Comparable operating profit was EUR 257 (359) million.
- Operating profit was EUR 390 (376) million. Items affecting comparability included the tax-exempt capital gain of EUR 176 million from the divestment of the recycling and waste business.
- Comparable earnings per share were EUR 0.18 (0.35).
- Earnings per share were EUR 0.39 (0.45).
- Cash flow from operating activities totalled EUR 167 (149) million.

January–December 2024

- Comparable EBITDA was EUR 1,556 (1,903) million.
- Comparable operating profit was EUR 1,178 (1,544) million.
- Operating profit was EUR 1,325 (1,662) million. Items affecting comparability included the tax-exempt capital gain of EUR 176 million from the divestment of the recycling and waste business.
- Comparable earnings per share were EUR 1.00 (1.28).
- Earnings per share were EUR 1.30 (1.68).
- Cash flow from operating activities totalled EUR 1,392 (1,710) million.
- In the second quarter of 2024, Fortum recorded in the comparable operating profit a sales gain of EUR 16 million from the divestment of its remaining share of its Indian 185 MW solar power portfolio.
- In July, Fortum signed an agreement to sell its recycling and waste business for approximately EUR 800 million. In November, the divestment was completed and a tax-exempt gain of EUR 176 million was recorded. The net cash flow received was approximately EUR 720 million.
- Fortum's Board of Directors proposes a dividend of EUR 1.40 (1.15) per share and that the dividend will be paid in the second quarter.

Summary of outlook

- The Generation segment's estimated Nordic generation hedges: approximately 75% at EUR 42 per MWh for 2025 and approximately 45% at EUR 41 per MWh for 2026.
- The current annual outright portfolio amounts to approximately 47 TWh.
- Capital expenditure for 2025–2027, including maintenance but excluding acquisitions, is expected to be approximately EUR 1.4 billion of which annual growth capital expenditure is expected to be EUR 150–300 million and annual maintenance capital expenditure EUR 250 million.

Key figures, continuing operations

EUR million or as indicated	IV/2024	IV/2023	2024	2023
Reported				
Sales	1,435	1,858	5,800	6,711
Operating profit	390	376	1,325	1,662
Share of profit of associates and joint ventures	-38	89	19	59
Net profit	338	413	1,160	1,515
Net profit (after non-controlling interests)	344	410	1,164	1,514
Earnings per share, EUR	0.39	0.45	1.30	1.68
Net cash from operating activities	167	149	1,392	1,710
EUR million or as indicated	IV/2024	IV/2023	2024	2023
Comparable				
EBITDA	355	459	1,556	1,903
Operating profit	257	359	1,178	1,544
Share of profit of associates and joint ventures	-35	31	-30	7
Net profit (after non-controlling interests)	169	317	900	1,150
Earnings per share, EUR	0.18	0.35	1.00	1.28

EUR million or as indicated	2024	2023
Financial position		
Financial net debt (at period-end)	367	942
Financial net debt/comparable EBITDA	0.2	0.5

Key figures, total of continuing and discontinued operations

Fortum's condensed consolidated income statement and consolidated cash flow statement include the Russia segment as discontinued operations in 2023.

EUR million or as indicated	IV/2024	IV/2023	2024	2023
Reported				
Net profit (after non-controlling interests)	344	410	1,164	-2,069
Earnings per share, EUR	0.39	0.45	1.30	-2.31
Net cash from operating activities	167	149	1,392	1,819
Comparable				
Net profit (after non-controlling interests)	169	317	900	1,184
Earnings per share, EUR	0.18	0.35	1.00	1.32

Fortum's President and CEO Markus Rauramo:

"For Fortum, 2024 was a year dedicated to focusing on our core businesses, optimising our best-in-class operations, divesting non-core operations, and implementing efficiency improvement actions. With these measures, among others, we are building the foundation of preparedness for our future growth. We continue to see robust underlying customer demand which we believe reflects the power demand growth longer term. Our goal is to be ready for the growth phase while ensuring strong financial performance, even in a turbulent operating environment.

In 2024, the power market was characterised by volatile but lower power prices compared to the previous year. The cold start to 2024 gave the Nordic spot price a strong beginning to the year, particularly in Finland, with extreme hourly price spikes reaching close to 1,900 EUR/MWh during the first quarter. However, after the first quarter, the high share of onshore wind power and high hydro inflows pressured the Nordic spot prices until the end of the year. In the fourth quarter, Nordic spot prices were lower than a year ago due to the significantly higher reservoir levels, increased renewable power output and warm weather. This was partly offset by the ongoing recovery in Nordic power demand, especially as non-industrial demand increased in 2024.

The lower Nordic spot power prices were reflected especially in our Generation segment's financial results throughout the year. However, due to our versatile and competitive CO₂-free fleet, our achieved power price reached a good level in 2024 through successful hedging and physical optimisation. In the fourth quarter, the Generation segment's comparable operating profit declined due to lower hydro and nuclear volumes and lower spot and hedge prices. The result improved in the Consumer Solutions and Other Operations segments both in the fourth quarter and for the full-year 2024.

Supported by the divestment of our recycling and waste business, our financial position continues to be strong with very low leverage of 0.2 times and we continued to have sufficient liquidity and credit line buffers at the end of the year. During 2024, we were happy to have S&P Global Ratings upgrade our long-term credit rating to BBB+ with Stable Outlook and Fitch Ratings affirm our long-term rating of BBB with Stable Outlook. We also introduced our Green Finance Framework and signed our first green loan in June.

Based on our Group results and strong financial position, Fortum's Board of Directors is proposing to the Annual General Meeting a dividend of EUR 1.40 per share comprising EUR 0.90 corresponding to a 90% payout of comparable EPS and a special dividend of EUR 0.50. In Fortum's dividend policy, the payout ratio is 60–90% of the Group's comparable EPS. In situations with strong balance sheet and low investments, Fortum applies the upper end of the range of the payout ratio. Through the proposed special dividend Fortum activates its balance sheet and rectifies its current very strong liquidity position. Adding the proposed dividend payment to the net debt-to-comparable EBITDA at the end of 2024, it would be above 1.0 time.

In February 2024, we clarified our strategic focus and targets in response to the changed operating environment. At the core of our strategy is our commitment to the clean transition. Throughout 2024, we worked on our science-based climate targets to have them validated by the international Science Based Targets initiative (SBTi). In January 2025, we were excited to introduce our ambitious SBTi-verified targets, which include net-zero greenhouse gas emissions across our value chain by 2040 and an 85% reduction in scope 1 and 2 emissions by 2030. Our coal exit target by the end of 2027, as well as our targets for specific emissions and biodiversity, remain unchanged.

Regarding our strategic key performance indicators (KPIs) set in 2024, our optimisation premium reached 8.7 EUR/MWh in 2024, thus slightly exceeding our annual target of 6–8 EUR/MWh. We met our long-term hydro availability KPI but fell short of our long-term nuclear availability target due to unplanned and extended outages during the year. We are on track to reach our targets for the hedged share of our rolling 10-year outright generation volume and the ready-to-build pipeline for solar and onshore wind. Regarding the latter, we have an approximately 5–GW pipeline of onshore wind and solar projects in the permit process across the Nordic countries, with more in early development. The pipeline includes the development portfolio acquisition announced in December 2024.

On our strategic priority to deliver reliable and clean energy, in 2024 we focused on our core operations for power generation and advanced several significant projects to better meet the needs of the system, society and our customers. At the Loviisa nuclear power plant, the lifetime extension until 2050 progressed well with our decisions to modernise the low-pressure turbines and renew the main seawater pumps. We also reached an important milestone in securing a reliable Western alternative for our nuclear fuel supply as we loaded the first batch of Westinghouse fuel to Loviisa in August. The Espoo Clean Heat programme is making significant progress at the Espoo and Kirkkonummi sites with future waste heat offtake from the upcoming Microsoft data centres and at the electricity-based plant in Nuijala, Espoo. As part of the programme, we closed down our last coal-fired unit used for district heat production in Finland, one year ahead of schedule. In our renewables business, our Pjelaž wind farm, the third largest in Finland, was fully commissioned in the second quarter and began its commercial operations through the power purchase agreement (PPA) with Finnish Helen at the beginning of July. In the fourth quarter, we made the decision to invest EUR 100 million in decarbonisation of our Czystochowa CHP plant in Poland.

On our strategic priority to drive decarbonisation in industries, we started to develop several potential sites across Finland that can be offered to our customers for data centre or industrial use. On one of these sites, in Rauma, we started to develop a site for a sustainable synthetic aviation fuel (eSAF) plant together with Norsk e-Fuel and Port of Rauma. In the fourth quarter, we took on the role as energy partner to support a feasibility study exploring low-carbon aluminium manufacturing opportunities in Kokkola and Kruunupyy, Finland. The facility, if realised, would consume approximately 7 TWh of electricity annually. Additionally, we began to build a 2-MW hydrogen pilot production plant in Loviisa.

Within the scope of our strategic priority to transform and develop, we continued our efficiency improvement programme with the target to gradually lower annual fixed costs by EUR 100 million (excluding inflation) by the end of 2025 with a full run-rate from the beginning of 2026. In 2024, we reduced our recurring fixed cost base by more than EUR 60 million. Simultaneously, we have taken actions with fixed cost effects to build our preparedness for future growth, such as the renewables development and site development. Also, the strategic review of the Circular Solutions' businesses progressed well during 2024. The recycling and waste business, the turbine and generator services and the biobased solutions business were divested. The total consideration for the sale of the recycling and waste business amounted to approximately EUR 800 million, and Fortum recorded a tax-exempt capital gain of EUR 176 million in the fourth quarter. In addition, Fortum successfully divested its stake in the 185-MW solar portfolio in India in the second quarter.

There have been public discussions about possible new nuclear projects both in Sweden and Finland. At Fortum, we see that the electrification of industry and transport, as well as new clean industrial investments, require a balance of different types of power and predictability in the coming decades. As the share of production with intermittent renewables increases, hydro power has a vital role in balancing the energy system in the Nordics. A flexible system, however, needs a stable foundation, which nuclear power provides. Fortum is concluding its two-year feasibility study to explore prerequisites for new nuclear power in the near term. Regarding the economic conditions for new nuclear, we have previously noted that the current energy prices in the Nordics do not facilitate profitable investments without societal participation. At Fortum, we consider it positive that the Swedish and Finnish governments are investigating financing and electricity market mechanisms for new nuclear power projects. However, we are still far from making any potential investment decisions. As announced today, we are starting a feasibility study to explore possibilities for flexible pumped-storage hydro power in Sweden to provide much needed flexible balancing power.

In conclusion, I would like to express my gratitude to all our employees for their dedication and hard work throughout the year. I also extend my thanks to our customers, partners, shareholders and other stakeholders for their continued trust in us as we strive to power a world where people, businesses and nature thrive together.”

Fortum's strategy

Fortum's strategy, launched in March 2023, focuses on the Nordics with strategic priorities to 'deliver reliable clean energy', 'drive decarbonisation in industries', and 'transform and develop'. At the beginning of February 2024, the Board of Directors resolved on clarifications to the strategy.

The Group's business portfolio is built on its core operations – hydro and nuclear generation, flexibility and optimisation, as well as its customer business and heating and cooling operations. Fortum's objective is to strengthen and selectively grow these core businesses and competence areas, while capitalising on the volatile markets. Simultaneously, to build preparedness for future growth, Fortum is developing a ready-to-build pipeline of onshore wind and solar projects to serve customer demand growth with long-term power purchase agreements. In addition, the Group is exploring future development opportunities for, among others, clean hydrogen.

As the operating environment shows increased uncertainty, reduced visibility and postponement of industrial investments, the company specified its business portfolio, clarified capital allocation and set new strategic targets with measurable key performance indicators (KPIs).

Financial and environmental targets

- To ensure a credit rating of at least BBB, Financial net debt-to-comparable EBITDA can be a maximum of 2.0–2.5 times. S&P Global Ratings currently rates Fortum as BBB+ with Stable Outlook and Fitch Ratings as BBB with Stable Outlook.
- For the 2025–2027 period, Fortum’s capital expenditure is expected to be approximately EUR 1.4 billion (excluding acquisitions), of which annual growth capital expenditure is expected to be EUR 150–300 million and annual maintenance capital expenditure EUR 250 million.
- To ensure the required returns for any potential new investments, Fortum continues to be selective and applies set investment criteria: project-based WACC + 150–400 investment hurdles depending on the technology or investment project, as well as environmental targets.
- Fortum’s dividend policy is a payout ratio of 60–90% of comparable EPS. The payout ratio will be used so that the upper end of the payout ratio range is applied in situations with a strong balance sheet and low investments, while the lower end of the range is applied in situations with high leverage and/or significant investments and high capital expenditure.
- Fortum targets to reduce its annual fixed costs by EUR 100 million (excluding inflation) gradually until the end of 2025 with a full run-rate from the beginning of 2026. The programme is progressing according to plan and schedule.
- Fortum has set ambitious environmental and decarbonisation goals with SBTi-validated climate targets, including net-zero greenhouse gas emissions across the value chain by 2040, coal exit by the end of 2027, targets for specific emissions and biodiversity targets.

Strategic targets, KPIs and 2024 outcomes

Strategic target	Strengthen Nordic leadership	Ensure value creation from flexibility	Stabilise income streams	Demand-driven renewables
KPI target	Fleet availability: >90% for nuclear, >95% for hydro	Annual optimisation premium 6–8 EUR/MWh	Hedged share of rolling 10-year outright generation volume >20% by end of 2026	Ready-to-build pipeline for solar and onshore wind >800 MW by end of 2026
2024 outcome	84% for nuclear, 97% for hydro	8.7 EUR/MWh	18%	0 MW

Financial results

Sales by segment

EUR million	IV/2024	IV/2023	2024	2023
Generation	942	1,339	3,795	4,420
Consumer Solutions	792	1,069	3,073	3,766
Other Operations	141	147	596	548
Netting of Nord Pool transactions	-309	-612	-1,196	-1,510
<i>Eliminations</i>	-131	-85	-469	-514
Total continuing operations	1,435	1,858	5,800	6,711

Comparable EBITDA by segment

EUR million	IV/2024	IV/2023	2024	2023
Generation	319	452	1,421	1,874
Consumer Solutions	41	30	161	108
Other Operations	-5	-23	-26	-80
Total continuing operations	355	459	1,556	1,903

Comparable operating profit by segment

EUR million	IV/2024	IV/2023	2024	2023
Generation	265	390	1,218	1,679
Consumer Solutions	16	12	76	38
Other Operations	-24	-43	-116	-173
Total continuing operations	257	359	1,178	1,544

Operating profit by segment

EUR million	IV/2024	IV/2023	2024	2023
Generation	177	370	1,103	2,058
Consumer Solutions	28	59	122	-215
Other Operations	186	-52	100	-181
Total continuing operations	390	376	1,325	1,662

October–December 2024

Sales decreased to EUR 1,435 (1,858) million, mainly due to lower power prices and lower power volumes.

Comparable operating profit decreased to EUR 257 (359) million. The Generation segment results decreased to EUR 265 (390) million, mainly due to lower hydro and nuclear volumes and lower spot and hedge power prices. The result for the Consumer Solutions segment increased to EUR 16 (12) million, mainly due to the reduced scope of the regulated price cap for electricity end users in Poland.

Operating profit for the period was impacted by EUR 133 (18) million of items affecting comparability, which included the tax-exempt capital gain of EUR 176 million from the divestment of the recycling and waste business.

Comparable share of profits of associates and joint ventures was EUR -35 (31) million. The comparable share of profits of associates and joint ventures was impacted by updated cost estimates for the Swedish nuclear waste-related provisions in co-owned nuclear companies, which was partly offset by positive impact from co-owned TVO (Note 7).

Comparable earnings per share were EUR 0.18 (0.35).

January–December 2024

Sales decreased to EUR 5,800 (6,711) million, mainly due to lower power prices.

Comparable operating profit decreased to EUR 1,178 (1,544) million. The Generation segment results decreased to EUR 1,218 (1,679) million, mainly resulting from clearly lower spot and hedge power prices. The result for the Consumer Solutions segment increased to EUR 76 (38) million, mainly due to higher electricity sales margins and the reduced scope of the regulated price cap for electricity end users in Poland, the effect of which was partly offset by lower gas sales margins in Poland and higher amortisations of customer acquisition costs.

Operating profit for the period was impacted by EUR 147 (118) million of items affecting comparability, which included the tax-exempt capital gain of EUR 176 million from the divestment of the recycling and waste business.

Comparable share of profits of associates and joint ventures was EUR -30 (7) million. The comparable share of profits of associates and joint ventures was impacted by updated cost estimates for the Swedish nuclear waste-related provisions in co-owned nuclear companies, which was partly offset by positive impact from co-owned TVO (Note 7).

Finance costs – net amounted to EUR 55 (-138) million. Net interest expenses turned positive due to lower interest expenses of EUR 226 (269) million and higher interest income of EUR 234 (165) million, mainly from deposits and cash. Interest income in 2024 includes EUR 19 million of interest income relating to the Belgian income tax assessment and interest income from the settlement of a commercial dispute (Note 8). Interest expenses in the comparison period included EUR 41 million related to the bridge financing loan provided by the Finnish state-owned holding company Solidium. Comparable finance costs – net amounted to EUR -36 (-137) million (Notes 8 and 9).

Income taxes totalled EUR -239 (-69) million. The comparable effective income tax rate was 19.1% (19.1%) (Note 9).

Net profit after non-controlling interests was EUR 1,164 (1,514) million and comparable net profit was EUR 900 (1,150) million. Comparable net profit is adjusted for items affecting comparability, adjustments to the share of profit of associates and joint ventures, finance costs – net, income tax expenses and non-controlling interests (Note 4.2).

Earnings per share were EUR 1.30 (1.68). Comparable earnings per share were EUR 1.00 (1.28) (Note 4).

Financial position and cash flow

Cash flow

In January–December, net cash from operating activities decreased and totalled EUR 1,392 (1,710) million due to the lower comparable EBITDA, lower positive change in working capital and realised foreign exchange losses included in non-cash and other items, the effect of which was partly offset by higher interest received and lower paid income taxes.

Net cash from investing activities totalled EUR 604 (1,433) million. Capital expenditure amounted to EUR 472 (576) million. Divestment of shares and capital returns of EUR 764 (5) million mainly included the divestment of the recycling and waste business. Net cash from investing activities was positively impacted by lower margin receivables, a decrease of EUR 386 (decrease 2,024) million.

Net cash used in financing activities totalled EUR -2,043 (-2,640) million. The net repayments of interest-bearing liabilities totalled EUR 975 (1,622) million, including EUR 900 million prepayments of bank loans. The net repayments of interest-bearing liabilities in the comparison period included the EUR 1,000 million repayment of bonds, the EUR 1,100 million repayment of the liquidity revolving credit facilities and the EUR 350 million repayment of the Finnish State bridge loan, which were partly offset by issued bonds of EUR 1,150 million. The first dividend payment of EUR 520 (413) million was paid in April 2024 and the second instalment of EUR 511 (404) million was paid in October 2024.

Liquid funds decreased by EUR -47 (increase 503) million and liquid funds at 31 December 2024 amounted to EUR 4,136 million.

For further details, see the 'Financing' section below.

Assets

At the end of 2024, total assets amounted to EUR 17,307 (31 Dec 2023: 18,739) million. The decrease of EUR 1,432 million mainly reflects the divestment of the recycling and waste business and lower margin receivables.

Equity

Total equity amounted to EUR 9,154 (31 Dec 2023: 8,499) million. Equity attributable to owners of the parent company totalled EUR 9,074 (31 Dec 2023: 8,438) million. Equity was positively impacted by the EUR 1,164 million net profit for the period and by the EUR 465 million fair valuation of cash flow hedges, offset by the 2023 dividend of EUR 1,032 million.

The dividend for 2023, amounting to a total of EUR 1,032 million, was approved by the Annual General Meeting on 25 March 2024 and paid in two instalments, in April and October.

Financing

The Group's financial position continues to be very solid. At the end of December, the Group's ratio for financial net debt-to-comparable EBITDA was very low, at 0.2 times for the last twelve months.

At the end of 2024, financial net debt was EUR 367 (31 Dec 2023: 942) million. Fortum's total interest-bearing liabilities were EUR 4,828 (31 Dec 2023: 5,909) million and liquid funds amounted to EUR 4,136 (31 Dec 2023: 4,183) million.

At the end of 2024, Fortum's long-term loans totalled EUR 4,274 million. Short-term loans amounted to EUR 459 million. (Note 12)

In May, Fortum extended the EUR 800 million bilateral revolving credit facility maturing in June 2025 by one year, with a new maturity date in June 2026.

In June, Fortum signed its first green loan under the company's Green Finance Framework, which was established in January. The EUR 300 million green loan is aimed to refinance renewable energy and energy-efficiency projects. The loan period is five years, and it has a one-year extension option by the lender. The loan partly refinanced a bank loan of EUR 700 million, of which Fortum prepaid the remaining EUR 400 million in June. Fortum extended the EUR 2,400 million Core revolving credit facility by two years, with a new maturity date in June 2027. After the original due date in June 2025, the facility size will be EUR 2,206 million.

In December, Fortum prepaid a EUR 500 million bullet loan originally maturing in February 2025. Additionally, Fortum signed a new bilateral EUR 800 million revolving credit facility with maturity in January 2027.

At the end of 2024, Fortum had undrawn committed credit facilities of EUR 4,000 million. In addition, Fortum has EUR 100 million committed overdraft limits that are valid until further notice.

The current long-term credit rating for Fortum by S&P Global Ratings is BBB+ with Stable Outlook and by Fitch Ratings BBB with Stable Outlook.

Segment reviews

Generation

Generation is responsible for power generation mainly in the Nordics. The segment comprises CO₂-free hydro, nuclear, wind and solar power generation, as well as district heating and cooling, and decarbonisation of heat production assets. The Generation segment is responsible for hedging and value creation both in physical and financial power markets and is a customer interface for industrial and municipal customers to drive decarbonisation in industries and provide clean energy at scale. Furthermore, the business develops capabilities and projects in renewables and nuclear, and explores clean hydrogen.

EUR million	IV/2024	IV/2023	2024	2023
Reported				
Sales	942	1,339	3,795	4,420
- power sales	756	1,164	3,234	3,889
of which Nordic outright power sales ¹⁾	559	728	2,302	2,799
- heat sales	166	162	502	481
- other sales	20	13	60	50
Operating profit	177	370	1,103	2,058
Share of profit/loss of associates and joint ventures ²⁾	-38	89	22	59
Capital expenditure and gross investments in shares	105	112	355	454
Number of employees			2,053	1,758

EUR million	IV/2024	IV/2023	2024	2023
Comparable				
EBITDA	319	452	1,421	1,874
Operating profit	265	390	1,218	1,679
Share of profit/loss of associates and joint ventures ²⁾	-35	31	-26	7
Return on net assets, %			16.0	24.2
Net assets (at period-end)			7,608	7,263

1) Nordic outright power sales includes hydro, nuclear and wind generation. It does not include CHP and condensing power generation, minorities, customer business, or other purchases.

2) Power plants are often built jointly with other power producers, and owners purchase power at cost. The share of profit/loss is mainly IFRS adjustments (e.g. accounting for nuclear-related assets and liabilities) and depreciations on fair-value adjustments from historical acquisitions (Note 18 in the Consolidated Financial Statements 2023).

Power generation by source

TWh	IV/2024	IV/2023	2024	2023
Hydropower, Nordic	4.6	6.0	20.2	20.9
Nuclear power, Nordic	6.2	6.9	24.3	24.8
Wind power, Nordic	0.3	0.1	0.9	0.1
CHP and condensing power ¹⁾	0.2	0.3	0.8	1.0
Total	11.4	13.3	46.2	46.8

1) CHP and condensing power generation in Finland and Poland.

Sales volumes

TWh	IV/2024	IV/2023	2024	2023
Power sales volume, Nordic	14.4	19.0	58.9	62.6
of which Nordic outright power sales volume ¹⁾	10.8	12.5	43.8	44.4
Power sales volume, Other	0.2	0.2	0.6	0.6
Heat sales volume, Nordic	0.6	0.8	2.0	2.1
Heat sales volume, Other	1.3	1.2	3.2	3.4

1) The Nordic outright power sales volume includes hydro, nuclear and wind generation. It does not include CHP and condensing power generation, minorities, customer business, or other purchases.

Achieved power price

EUR/MWh	IV/2024	IV/2023	2024	2023
Generation's Nordic achieved power price ¹⁾	51.7	58.1	52.5	63.1

1) Generation's Nordic achieved power price includes hydro, nuclear and wind generation. It does not include CHP and condensing power generation, minorities, customer business, or other purchases.

October–December 2024

The Generation segment's total power generation decreased in the fourth quarter of 2024 compared to the previous year. Hydro generation volumes decreased by 23% as the hydrological balance in the Nordics shifted to clearly above normal level during the quarter. Nuclear volumes decreased by 10%, mainly due to prolonged outages in Forsmark and Loviisa, and unplanned outages in Olkiluoto. Volumes from wind generation increased by 0.2 TWh with contributions from the Pjela wind farm. The weather was warmer in Finland and mainly colder in Poland; consequently, heat generation decreased by 5% and CHP-based power generation by 12%.

The achieved power price decreased by 11%, or 6.4 EUR/MWh, and was 51.7 EUR/MWh. The decrease in the achieved power price was attributable to both lower spot and hedge prices. The optimisation premium was at the same level as in the previous year. The spot power price in Fortum's generation price areas declined to 37.0 EUR/MWh compared to 55.8 EUR/MWh in the fourth quarter of 2023.

Comparable operating profit decreased clearly, by 33%, impacted mainly by the lower hydro and nuclear volumes and lower spot and hedge power prices. The negative effect from the volume and price components was partly offset by the positive effect from lower nuclear waste costs in co-owned nuclear production in Finland. The result contribution of the Pjela wind farm was slightly positive. The result of the district heating business improved, mainly due to lower fuel costs driven by more electricity-based production in Finland and the higher sales price for power in Poland.

Operating profit was affected by EUR -88 (-21) million of items affecting comparability, mainly related to the fair-value change of non-hedge-accounted derivatives (Note 3).

Comparable share of profits of associates and joint ventures totalled EUR -35 (31) million. The comparable share of profits of associates and joint ventures was impacted by updated cost estimates for the Swedish nuclear waste-related provisions in co-owned nuclear companies, which was partly offset by positive impact from co-owned TVO (Notes 3 and 7).

January–December 2024

The Generation segment's total power generation decreased in January–December 2024. Hydro generation volumes decreased by 3%. Nuclear volumes decreased by 2%. There were prolonged outages in Forsmark's third unit and in Olkiluoto's first and second unit, as well as longer planned outages in Loviisa and in Olkiluoto's third unit, the negative effect of which was partly offset by increased volume at the Oskarshamn nuclear power plant due to a shorter planned outage. Volumes from wind generation increased by 0.8 TWh following the commissioning of the Pjela wind farm. Heat generation decreased by 4% compared to previous year due to warmer weather. CHP-based power volumes decreased by 11%.

The achieved power price decreased by 17%, or 10.6 EUR/MWh, and was 52.5 EUR/MWh. The decrease in the achieved power price was mainly attributable to both lower spot and hedge prices. The annual optimisation premium was slightly above the guidance of 6-8 EUR/MWh, at 8.7 EUR/MWh. The spot power price in Fortum's generation price areas declined to 38.4 EUR/MWh compared to 51.3 EUR/MWh in 2023.

Comparable operating profit decreased clearly, by 27%, impacted mainly by the lower spot and hedge prices, but also lower generation volumes for both nuclear and hydro, and higher costs for Olkiluoto's third unit as the first months of 2023 were a test period. The result of the renewables business was positively impacted by a sales gain of EUR 16 million from the divestment of Fortum's remaining share in the Indian solar power portfolio with four solar power plants and a total capacity of 185 MW. The result contribution of the Pjela wind farm was slightly positive. The result of the district heating business improved and turned positive, mainly due to lower fuel costs supported by more electricity-based heat production in Finland and the higher sales price for heat and power in Poland.

Operating profit was affected by EUR -115 (380) million of items affecting comparability, mainly related to the fair-value change of non-hedge-accounted derivatives (Note 3).

Comparable share of profits of associates and joint ventures totalled EUR -26 (7) million. The comparable share of profits of associates and joint ventures was impacted by updated cost estimates for the Swedish nuclear waste-related provisions in co-owned nuclear companies, which was partly offset by positive impact from co-owned TVO (Notes 3 and 7).

Fortum and Huoltovarmuuskeskus, the Finnish National Emergency Supply Agency (NESA), have an agreement that Fortum's Meri-Pori power plant is being used to secure national supply during the period 1 April 2024–31 December 2026. NESA has reserved the production of the power plant to be used only in the event of severe disruptions or emergencies in the electricity system.

On 21 March, Fortum announced that it will build new emission-free, electricity-based district heat production in the Nuijala area of Espoo, Finland, as part of the Espoo Clean Heat programme. The production plant will have a 50-MW electric boiler and an 800-MWh heat accumulator. The electric boiler/heat storage combination will increase the flexibility of heat production and level out electricity demand by utilising time-variable electricity pricing. The construction work began in spring 2024 and production is expected to start for the 2025-2026 heating season. For further details, see the 'Capital expenditures' section.

In April, Fortum's biggest and Finland's third largest wind farm, the 380-MW Pjela, became fully operational. It started commercial operations in the beginning of July through a power purchase agreement (PPA) with the Finnish Helen. Helen is purchasing 65% of the power generation through the 12-year "pay-as-produced" PPA. The farm's 56 wind turbines will produce around 1.1 TWh of renewable energy annually. Pjela is fully consolidated on Fortum's balance sheet; Helen has a 40% minority ownership in the company.

On 17 April, Fortum announced that Fortum and the Swedish ferroalloys producer Vargön Alloys AB had signed a five-year power purchase agreement (PPA) with progressive pricing for the delivery of approximately 0.4 TWh of electricity and Guarantees of Origin for nuclear power per annum in Sweden. The contract term started in December 2024 and runs until the end of 2029. The power is sourced from Fortum's nuclear portfolio in the SE3 (Stockholm) price area in central Sweden.

On 28 April, Fortum closed its last coal-fired unit at the Suomenoja production plant used for district heat production in Espoo, Finland. As a result of the decision, Fortum's Heating and Cooling business in Finland phased out coal one year earlier than expected.

On 3 May, Fortum signed an agreement to sell its remaining 43.75% share of its Indian solar power portfolio to Gentari Renewables India Pte. Ltd., a subsidiary of clean energy solutions provider Gentari Sdn. Bhd. The portfolio comprised four solar power plants with a total capacity of 185 MW. In the transaction, the other owners also sold their ownership. Fortum received total proceeds of EUR 33 million in the fourth quarter of 2024. Fortum recorded a sales gain of EUR 16 million in comparable operating profit from the divestment in connection with the closing in the second quarter of 2024.

On 29 October, Fortum announced that it will invest EUR 100 million in decarbonisation of the Czystochowa combined heat and power (CHP) plant in Poland. The Czystochowa plant's retrofit with biomass technology will decrease Fortum's coal capacity by 0.1 GW to 0.9 GW and direct CO₂ emissions by approximately 175,000 tonnes. The investment will take place over the period from the fourth quarter of 2024 until the fourth quarter of 2026.

On 19 December, Fortum signed an agreement to acquire a project development portfolio for renewable power from Enersense. The acquired portfolio includes 2.6 GW of early-stage onshore wind development projects in Finland, of which only a minor part is expected to reach ready-to-build status. The purchase price on a debt-and-cash-free basis is approximately EUR 9 million and will be paid at closing, which is expected in the first quarter of 2025. The transaction is subject to customary closing conditions. In addition to the purchase price, the transaction includes earn-outs that are subject to projects successfully reaching a final investment decision in the future. No investment commitments have been made and decisions could be made earliest by the end of this decade.

Consumer Solutions

Consumer Solutions is responsible for offering energy solutions to consumers, including small- and medium-sized enterprises, predominantly in the Nordics and Poland. Fortum is the largest energy solutions provider in the Nordics, with over two million customers. The business provides electricity, as well as related value-added and digital services, mainly to retail customers.

EUR million	IV/2024	IV/2023	2024	2023
Reported				
Sales	792	1,069	3,073	3,766
- power sales ¹⁾	759	922	2,635	3,219
- gas sales	66	114	386	422
- other sales ¹⁾	-34	33	53	125
Operating profit	28	59	122	-215
Capital expenditure and gross investments in shares	18	22	71	103
Number of employees			1,118	1,281

1) Sales in the fourth quarter include a one-off cumulative adjustment between power sales and other sales.

EUR million	IV/2024	IV/2023	2024	2023
Comparable				
EBITDA	41	30	161	108
Operating profit	16	12	76	38
Return on net assets, %			11.2	4.5
Net assets (at period-end)			725	838

Sales volumes

TWh	IV/2024	IV/2023	2024	2023
Electricity	9.6	10.3	34.4	33.0
Gas	2.0	1.6	6.9	5.2

Number of customers

Thousands ¹⁾	31 Dec 2024	31 Dec 2023
Electricity	2,220	2,290
E-mobility ²⁾	40	60
Gas	40	40
Total	2,300	2,380

1) Rounded to the nearest 10,000.

2) Measured as average monthly paying customers for the quarter.

October–December 2024

The electricity sales volume decreased by 7%, while the gas sales volume increased by 25%. The lower electricity volume resulted from both a lower customer base and warmer weather in the Nordics. Higher gas volumes were driven by a larger customer base in the gas enterprise business in Poland. Total sales revenues decreased by 26% due to lower electricity and gas prices both in the Nordics and in Poland.

Comparable operating profit increased by EUR 4 million to EUR 16 million, mainly due to the reduced scope of the regulated price cap for electricity end users in Poland. This was partly offset by higher depreciations and amortisations of customer acquisition costs.

January–December 2024

The electricity sales volume increased by 4% and the gas sales volume increased by 32%. Volumes were driven by colder weather in the first part of the year, but negatively affected by warmer weather during the second half of the year. The volumes were also impacted by the larger customer base in the gas enterprise business in Poland and the acquisition of Telge Energi AB in 2023. Total sales revenues decreased by 18% due to lower electricity and gas prices in the Nordics and in Poland.

Comparable operating profit increased by EUR 38 million to EUR 76 million, mainly due to higher electricity sales margins, reduced scope of the regulated price cap for electricity end users in Poland and higher sales margins for value-adding services, the effect of which was partly offset by lower gas sales margins in Poland and higher amortisations of customer acquisition costs.

In March, the Consumer Solutions segment and the IT unit concluded their change negotiations as part of Fortum's ongoing efficiency improvement programme to reduce fixed costs by EUR 100 million. As a result of the negotiations, the total number of redundancies was approximately 70, part of which was related to Consumer Solutions.

In 2023, Fortum started to simplify its brand structure within Consumer Solutions. The first phase was completed in December 2023 by merging the Göta Energi brand to the Fortum brand. In May 2024, the second phase was completed with the merger of Norges Energi and Fortum Ström in Norway. The final phase was completed in the beginning of October with the merger of Telge Energi and Fortum Markets in Sweden. The merger of Telge Energi creates personnel synergies in the amount of approximately 80 FTEs with full effect from the first quarter of 2025. All costs associated with merger and subsequent downsizing have been recognised in the 2024 results. The cost savings from the synergies will be approximately EUR 8 million in 2025.

Other Operations

The Other Operations segment includes the Circular Solutions business, responsible for Fortum’s recycling and waste assets, as well as turbine and generator services, biobased solutions and battery recycling business. All these businesses, mainly excluding the battery recycling business, were divested during the fourth quarter of 2024. The Other Operations segment also comprises innovation and venturing activities, enabling functions and corporate management.

EUR million	IV/2024	IV/2023	2024	2023
Reported				
Sales	141	147	596	548
- power sales	1	2	5	9
- heat sales	6	13	25	31
- waste treatment sales	47	63	212	226
- other sales	88	69	355	281
Operating profit	186	-52	100	-181
Share of profit/loss of associates and joint ventures	0	-1	-3	0
Capital expenditure and gross investments in shares	31	35	90	107
Number of employees			1,295	2,186

EUR million	IV/2024	IV/2023	2024	2023
Comparable				
EBITDA	-5	-23	-26	-80
Operating profit	-24	-43	-116	-173
Share of profit/loss of associates and joint ventures	0	-1	-3	0

October–December 2024

Comparable operating profit improved by EUR 19 million and amounted to EUR -24 million, mainly due to higher internal charges for services of enabling functions. The result of the Circular Solutions business decreased mainly due to the completion of the recycling and waste business divestment.

January–December 2024

Comparable operating profit improved by EUR 56 million and amounted to EUR -116 million, mainly due to higher internal charges for services of enabling functions. The result of the Circular Solutions business decreased mainly due to the completion of the recycling and waste business divestment.

In March, the IT unit and the Consumer Solutions segment concluded the change negotiations as part of Fortum’s ongoing efficiency improvement programme to reduce fixed costs by EUR 100 million. As a result of the negotiations, the total number of redundancies was approximately 70, part of which was related to the IT unit.

On 18 July, Fortum signed an agreement to sell its recycling and waste business to Summa Equity through its portfolio company NG Group. The divestment was completed on 29 November. The total consideration from the divestment was approximately EUR 800 million on a debt- and cash-free basis. Fortum recorded a tax-exempt capital gain of EUR 176 million, which is reported as Items Affecting Comparability in the Other Operations segment’s fourth-quarter results. The net cash flow received from the transaction was approximately EUR 720 million.

On 23 September, Fortum announced that it had signed an agreement to sell its 37.4% ownership in Chempolis Oy, all Fortum’s biobased solutions businesses, and the shares in the holding company owning 40.3% in Assam Bio Ethanol Pvt Ltd in India to AM Green Technology & Solutions B.V. The transaction did not have any material financial impact on Fortum Group’s result.

On 1 November, Fortum signed an agreement to sell its turbine and generator services to the industrial technical services provider Elcoline Group Oy. The turbine and generator services businesses are located in Finland, Sweden and Germany and employ approximately 170 employees. The transaction was completed in the fourth quarter and did not have any material financial impact on Fortum Group’s result.

Capital expenditures, divestments and investments in shares

In the fourth quarter of 2024, capital expenditures and investments in shares totalled EUR 154 (169) million. Capital expenditures were EUR 142 (159) million (Notes 3 and 6).

In January–December 2024, capital expenditures and investments in shares totalled EUR 516 (664) million. Capital expenditures were EUR 483 (611) million (Notes 3 and 6).

Fortum expects to start, or has started, power and heat production capacity of new power plants and expects to upgrade its existing plants as follows:

	Type	Electricity capacity, MW	Heat capacity, MW	Capital expenditure, MEUR	Supply starts/started
Growth					
Loviisa, Finland	Nuclear	Lifetime extension		1,000	
Espoo Clean Heat, Finland Espoo and Kirkkonummi Nuijala, Espoo	Waste heat utilisation Electric boiler		360 50	300	IV/2025
Pjelax, Finland	Wind	380		360	II/2024
Czestochowa, Poland	Biomass	Decarbonisation	Decarbonisation	100	IV/2026
Maintenance					
Hydro projects	Hydro	35			

Generation

Growth capital expenditure

On 22 December 2021, Fortum announced an investment decision to construct the 380-MW Pjelax wind farm in Närpes and Kristinestad in Finland in partnership with the Finnish energy company Helen Ltd. Construction of the wind farm started in January 2022 and testing of power generation in October 2023. The wind farm was fully operational in the second quarter of 2024. It will produce around 1.1 TWh of renewable energy annually from 56 wind turbines. Fortum and Helen have a 12-year “pay-as-produced” power purchase agreement (PPA) through which Helen is purchasing 65% of the power generation, starting from July 2024. Pjelax is fully consolidated on Fortum’s balance sheet; Helen has a 40% minority ownership in the company. The total capital expenditure of the project is approximately EUR 360 million, of which Fortum’s share is approximately EUR 216 million.

On 16 February 2023, the Finnish Government granted a new operating licence until the end of 2050 for both units at Fortum’s Loviisa nuclear power plant. Over the course of the new licence period, the plant is expected to generate up to 177 TWh of CO₂-free electricity. Investments related to the continuation of operations and lifetime extension will amount to an estimated EUR 1 billion during 2023–2050. On 29 May 2024, Fortum announced that it will modernise the Loviisa nuclear power plant’s low-pressure turbines as part of the lifetime extension-related investments. Over the past five years, Fortum has already invested approximately EUR 200 million in refurbishing of the Loviisa power plant. The Loviisa power plant is the first nuclear power plant in Finland and has two units: unit 1 started operating in February 1977, and unit 2 in November 1980. The units’ previous operating licences are valid until 2027 and 2030.

Fortum and the City of Espoo are committed to carbon-neutral district heat production and distribution in the Espoo, Kauniainen and Kirkkonummi areas by 2030. The project, Espoo Clean Heat, provides a flagship example of efficient decarbonisation and a transition to local self-sufficient heating on a large scale by, for example, increasing flexible electricity-based production through e.g. electric boilers and air-to-water heat pumps. Fortum’s total capital expenditure of the Espoo Clean Heat programme amounts to approximately EUR 300 million. In June 2023, Fortum announced its decision to invest approximately EUR 225 million during 2023–2027 in projects within the programme. During January–December 2024, EUR 77 million of the Espoo Clean Heat investments materialised, and, since the beginning of 2023, Fortum’s investments in the programme totalled approximately EUR 108 million. The use of coal was discontinued in April 2024, more than a year ahead of schedule. The largest sites currently under construction are two sites in Espoo and Kirkkonummi with heat offtake from Microsoft’s planned large-scale data centres and a new electricity-based district heat production plant in the Nuijala area in Espoo. These plants’ heat capacity will be 410 MW, and operations are expected to begin for the 2025–2026 heating season. Once the waste heat recovery from Microsoft’s data centres is in full operation, district heat production will be completely carbon neutral. In 2024, the share of emissions-free district heat production was already 69%.

On 29 October 2024, Fortum announced that it will invest EUR 100 million in decarbonisation of the Czestochowa combined heat and power (CHP) plant in Poland. The Czestochowa plant’s retrofit with biomass technology will decrease Fortum’s coal capacity by 0.1 GW to

0.9 GW and direct CO₂ emissions by approximately 175,000 tonnes. The investment will take place over a period from the fourth quarter of 2024 until the fourth quarter of 2026.

Maintenance capital expenditure

Fortum continuously maintains and upgrades its hydropower fleet and currently has numerous hydropower plant refurbishment and modernisation projects underway. The resulting capacity increase is estimated to be approximately 35 MW in total by 2030.

Other Operations

In July 2022, Fortum and GIG (Green Investment Group, a specialist green investor within Macquarie Asset Management) agreed to invest in a new waste-to-energy plant in Glasgow, Scotland, through a 50/50 joint venture. In June 2024, Macquarie Asset Management announced that it had reached an agreement to sell its 50% stake in the plant to Gren Energy. When fully commissioned, the South Clyde Waste-to-Energy plant will have an annual processing capacity of 350,000 tonnes of waste. The plant will have a power generation gross capacity of 45 MWe, corresponding to the average annual electricity consumption of approximately 90,000 homes. The facility is expected to enter commercial operations by the end of 2026.

In August 2023, Fortum announced that it will assess strategic options, including potential divestments, of its Circular Solutions businesses. The Circular Solutions businesses has comprised Fortum's recycling and waste assets, the batteries recycling business, the turbine and generator services as well as biobased solutions. In 2023, these business operations employed approximately 1,200 people, mainly in the Nordics (Finland, Sweden and Denmark), and its comparable EBITDA was approximately EUR 40 million. At the end of 2023, the net assets of the Circular Solutions businesses were approximately EUR 750 million. On 18 July, Fortum announced that it had signed an agreement to sell its recycling and waste business to Summa Equity for approximately EUR 800 million. The divestment was completed on 29 November, and Fortum recorded a tax-exempt capital gain of EUR 176 million. On 23 September, Fortum announced that it has signed an agreement to sell its 37.4% ownership in Chempolis Oy, including all Fortum's biobased solutions businesses, and the shares in the holding company owning 40.3% in Assam Bio Ethanol Pvt Ltd in India to AM Green Technology & Solutions B.V. The transaction did not have any material financial impact on Fortum Group's result. On 1 November, Fortum signed an agreement to sell its turbine and generator services to the industrial technical services provider Elcoline Group Oy. The transaction was completed in the fourth quarter of 2024 and it did not have a material financial impact on Fortum Group's result. After the divestments, Fortum continues the strategic review of its remaining Circular Solutions' businesses: the battery recycling business and the UK-based waste-to-energy business.

Operating and regulatory environment

European power markets

During the fourth quarter, Nordic electricity prices were again pressured by high precipitation amounts, especially during October and December, which resulted in low spot prices. Additionally, warmer than normal weather conditions and increasing wind power output contributed to the soft Nordic spot prices. The combined effect of soft Nordic fundamentals led to a significant increase in the Nordic reservoir surplus, reaching +14 TWh compared to the long-term average by the end of the and representing a 13 TWh increase from the end of the third quarter. Continental European electricity prices were supported by stronger gas and carbon prices.

According to preliminary statistics, power consumption in the Nordic countries was 107 (112) TWh during the fourth quarter of 2024. Following a continued recovery, Nordic power demand is now almost at the level prior to the energy crisis. During 2024, power consumption in the Nordic countries was 395 (386) TWh.

In Central Western Europe (Germany, France, Austria, Switzerland, Belgium and the Netherlands), power consumption in the fourth quarter of 2024 was 338 (334) TWh, according to preliminary statistics. Power demand in Continental Europe continued to be clearly below the five-year average, affected by weaker industrial production. During 2024, power consumption in Central Western Europe was 1,286 (1,268) TWh.

In the beginning of the fourth quarter of 2024, the Nordic hydro reservoirs were at 102 TWh, which was 1 TWh above the long-term average and 4 TWh below the level of the previous year. The Nordic inflow was significantly above the normal level, while hydro generation was slightly below normal. At the end of the quarter, the reservoir levels were at 99 TWh, which is 14 TWh above the long-term average and 22 TWh higher than in the previous year. A major part of the surplus is in Norway.

During the fourth quarter, Nordic spot prices were lower than a year ago due to the significantly higher reservoir levels and increased renewable power output. The average system spot price at Nord Pool was 31.0 (57.6) EUR/MWh. The average area price in Finland was 41.5 (61.1) EUR/MWh. In Sweden, the average area price in the SE3 area (Stockholm) was 42.7 (56.5) EUR/MWh, and the price in the SE2 area (Sundsvall) was 12.4 (44.0) EUR/MWh. In Germany, the average spot price in the fourth quarter was 102.6 (82.3) EUR/MWh.

In 2024, the average system spot price at Nord Pool was 36.1 (56.4) EUR/MWh. The average area price in Finland was 45.6 (56.5) EUR/MWh. In Sweden, the average area price in the SE3 area (Stockholm) was 35.8 (51.7) EUR/MWh, and the price in the SE2 area (Sundsvall) was 24.6 (40.0) EUR/MWh. In Germany, the average spot price in 2024 was 79.6 (95.2) EUR/MWh.

In early February, the Nordic system electricity forward price on Nasdaq Commodities for the remainder of 2025 was around 32 EUR/MWh and for 2026 around 37 EUR/MWh. The Nordic water reservoirs were at 85 TWh, which is about 17 TWh above the long-term average and 24 TWh above the level one year earlier. The German electricity forward price for the remainder of 2025 was around 103 EUR/MWh and for 2026 around 99 EUR/MWh.

European commodity markets

During the fourth quarter, natural gas (TTF) and carbon allowance (EUA) prices strengthened and coal prices softened. TTF prices were supported by heightened gas demand amid colder temperatures leading to higher storage withdrawals and by increased supply risks, including the cut-off of Ukrainian transit of Russian gas. EUA prices reflected the developments in TTF, although with milder fluctuations, but were also supported by the annual auction break in late December.

Gas consumption in Central Western Europe was 547 (513) TWh in the fourth quarter and 1,709 (1,718) TWh in 2024. The Central Western European gas storage levels decreased from 601 TWh at the beginning of the fourth quarter to 448 TWh at the end of the quarter, which is 111 TWh lower than one year ago and 32 TWh lower than the five-year average (2019–2023).

The average gas front-month price (TTF) in the fourth quarter was 43.3 (43.2) EUR/MWh and for the full year 2024 34.6 (41.4) EUR/MWh. The 2025 forward price increased from 38.6 EUR/MWh at the beginning of the fourth quarter to 46.6 EUR/MWh at the end of the year, which is 11.7 EUR/MWh higher than one year earlier. At the beginning of 2024, the TTF forward price for 2025 delivery was at 33.4 EUR/MWh.

The EUA (EU Allowance) price increased from 63.6 EUR/tonne at the beginning of the fourth quarter to 73.0 EUR/tonne at the end of the quarter, which is 7.4 EUR/tonne lower than one year earlier.

The forward quotation for coal (ICE Rotterdam) for 2025 decreased from 123.3 USD/tonne at the beginning of the fourth quarter to 113.7 USD/tonne at the end of the quarter, which is 17.9 USD/tonne higher than one year earlier.

In early February, the TTF forward price for gas for the remainder of 2025 was 53 EUR/MWh. The forward quotation for EUAs for 2025 was at the level of 82 EUR/tonne. The forward price for coal (ICE Rotterdam) for the remainder of 2025 was 109 USD/tonne.

Regulatory environment

The new EU Commission launches its legislative work

In December 2024, the new European Commission for 2024–2029 was officially confirmed. All nominated Commissioners passed the European Parliament's hearings without any changes in the portfolio allocation. Teresa Ribera (ES) will lead the overall clean transition agenda, whereas Dan Jørgensen (DK) holds the energy portfolio and Jessika Roswall (SE) the environment portfolio.

In 2025, the Commission will publish a couple of key policy initiatives, including the Competitiveness Compass, Clean Industrial Deal and Omnibus package. All the upcoming initiatives aim to support the political priorities of the Commission, including competitiveness and decarbonisation, security and defence, as well as democracy and rule of law. The Commission is also expected to continue with its efforts to reach the existing climate and energy targets and set new ones for 2040 and onwards.

Regulatory pressure on hydropower compliance

In October–November 2024, the European Commission initiated infringement procedures against several member states, including Sweden and Finland, for failing to comply with the Water Framework Directive, WFD (Directive 2000/60/EC). According to the Commission, both countries have failed to conduct regular reviews of the control measures for different types of water use as frequently as required by the WFD. The member states were given two months to respond to the identified shortcomings. Should the responses be considered unsatisfactory, the Commission may proceed with a reasoned opinion, a formal request to comply with EU law. If the infringement procedures were to ultimately result in an automatic review of permits, e.g. for hydro power plants, this would create uncertainty in the operating environment and weaken the investment environment.

Swedish real-estate tax increasing

The Swedish real-estate tax for energy production will increase for the period 2025–2030. The increase is a result of the adjustment of taxation values, done in six-year cycles, based on revenues and costs during the previous period. The increase for 2025–2030 is mainly a consequence of the very high electricity prices in 2022. Fortum's annual real-estate tax in Sweden will increase. Fortum considers the higher real-estate tax on power generation to be counterproductive, since it will be a hurdle to investments in new capacity. See the Outlook section for further details.

Finnish government promoting industrial investments

Published in December 2024, the new Finnish industrial policy strategy outlines the objectives for resurgence and growth of Finnish industries, with a focus on fostering new solutions at an industrial scale. Clean energy is recognised as a key area to attract green industrial investments to Finland. However, concrete policy measures related to the energy market design will be elaborated in the energy and climate strategy in spring 2025.

As one concrete measure, in January 2025 the Finnish government adopted a clean transition aid scheme for industrial investments. New, strategically important investment projects over EUR 30 million and with the objective to decarbonise industrial production processes and improve energy efficiency are eligible for the government grants. The aid is limited to 15-50% of the investment cost and to a maximum of EUR 200 million per company or group. The impact on Fortum is mainly indirect and relates to potential increased use of electricity by industries eligible for the scheme.

Key drivers and risks

Fortum's operations are exposed to a number of financial, operational, strategic and sustainability-related risks. Fortum is exposed to these risks both directly and indirectly through its subsidiaries, associated companies and joint ventures. The principal associated companies and joint ventures are Teollisuuden Voima Oyj, Forsmarks Kraftgrupp AB, OKG AB and Kemijoki Oy. For more information, see Fortum's Financials 2023.

Fortum's strategy, launched in March 2023, was developed partly in order to reduce the Group's business risks. With Fortum's core business consisting mainly of outright generation assets in the Nordics, the Nordic power price exposure remains the single largest key driver and financial risk for Fortum. A key priority for Fortum is to successfully mitigate this market risk, including managing the related credit and liquidity risks from hedging this exposure.

The main strategic risks are that the business and/or regulatory environment develop in ways that have not been foreseen and prepared for. The current geopolitical uncertainty continues to pose material operational and business risks for Fortum as the owner and operator of power and heat generation in the Nordics and Poland. Future energy market, regulatory and climate scenarios, as well as scenarios for how the current geopolitical situation develops, including the impact of these on Fortum's existing and potential new businesses, are regularly updated and used in the development of the strategy.

Sustainability-related risks, including exposure to climate change, continue to be a focus area for Fortum, and we are well-positioned with our existing portfolio of largely low-carbon power generation to take advantage of opportunities in the green transition.

Business operating environment

Fortum operates in a global business environment, with a main operational focus in the Nordics, and is therefore exposed to political and other risks that affect the macroeconomic development and consumer behaviour in Fortum's markets.

The global landscape has experienced a further escalation of conflict and increasing geopolitical uncertainty. Several regional and territorial disputes have worsened, increasing instability and insecurity in energy-producing regions, potentially disrupting energy supply chains and raising concerns about energy security. Russia's attack on Ukraine in February 2022 severely impacted Fortum's businesses. A number of geopolitical risks have realised, while other risks remain on an elevated level as a result of the ongoing Russian aggression. Following the unlawful seizure by the Russian authorities and loss of control of the Russian operations in spring 2023, the Russian assets were fully written down, deconsolidated and discontinued. Fortum sent notices of dispute to the Russian Federation in order to protect its legal position and shareholder interests. In February 2024, Fortum initiated legal proceedings against the Russian Federation due to the violations of international investment treaty protection. A further escalation of the war may increase the risk of hostile actions by the Russian Federation against foreign companies. This could have severe implications, such as an increased risk of sabotage, including direct physical or cyber-attacks on, for example, energy infrastructure in Fortum's operating countries.

The current geopolitical uncertainty has also intensified the trend of nationalistic policies and protectionism, which may lead to further trade restrictions or sanctions, which, in turn, could affect demand for Fortum's products and services, production capabilities, asset values and access to financing. The EU, US and UK have implemented a broad range of sanctions on Russia, the scope of which may be further increased. The unpredictable nature of sanctions remains a risk for Fortum, despite having lost control of the Russian business.

Regulatory environment

The energy sector is heavily influenced by national and EU-level energy and climate policies and regulations. The overall complexity and possible regulatory changes in Fortum's operating countries pose risks and create opportunities for the generation and consumer businesses. Fortum analyses and assesses a number of future market and regulatory scenarios, including the impact of these on different generation forms and technologies, as part of its strategy. Fortum maintains an active dialogue with different policymakers and legislators involved in the development of laws, policies and regulations in order to manage these risks and to proactively contribute to the development of the energy and climate policy and regulatory framework in line with Fortum's strategic objectives.

Nordic power price exposure and related risks

The earnings capability and profitability of Fortum's outright power generation, such as hydro, nuclear and wind power generation, are primarily exposed to fluctuations in the Nordic power prices. In the Nordics, power prices exhibit significant short- and long-term variations on the back of several factors, including, but not limited to, weather conditions, outage patterns in production and transmission lines, CO₂ emission allowance prices, commodity prices, energy mix and the supply-demand balance. An economic downturn, lower commodity prices, warm weather or wet hydrology could lead to significantly lower Nordic power prices, which would negatively impact earnings from Fortum's outright power production. The increased geopolitical uncertainty and fears of escalation of other conflicts may impact power and other commodity prices and volatility, especially in case of disturbances to other sources of power or gas supply. In general, price volatility is expected to continue also with the increasing share of intermittent generation and the occasionally re-emerging concerns over security of energy supply. This also increases the risk of further political market interventions going forward. Fortum hedges its exposure to commodity market prices in order to improve predictability of future results by reducing volatility in earnings while ensuring that there is sufficient cash flow and liquidity to cover financial commitments.

Fortum's liquidity and refinancing risks are primarily related to the need to finance its business operations, including margining payments and collaterals issued to enable hedging of commodity market risk exposures. Higher and more volatile commodity prices increase the net margining payments toward clearing houses and clearing banks. Fortum mitigates this risk by entering into over-the-counter (OTC) derivatives contracts directly with bilateral counterparties without margining requirements. Consequently, credit exposure from hedges with OTC counterparties has increased. Due to Fortum's net short position in Nordic power hedges, the credit exposure would increase in line with the value of hedges if Nordic power prices decrease. OTC trading also exposes the Group to liquidity risk in case of a counterparty default. A default could trigger a termination payment in cases where the net market value of the bilateral contracts is positive for the counterparty.

Fortum targets to maintain a solid investment-grade rating of at least BBB. A lowering of the credit ratings, in particular to below investment-grade level (BB+ or below), could trigger counterparties' rights to demand additional cash or non-cash collateral. In March 2024, S&P Global Ratings upgraded Fortum's long-term credit rating to BBB+ with Stable Outlook (previously BBB with Stable Outlook). Also in March 2024, Fitch Ratings affirmed Fortum's BBB rating with Stable Outlook. Fortum continues to constantly monitor all rating-related developments and to regularly exchange information with the rating agencies. In 2023, Fortum deployed a new risk management framework to manage credit, liquidity and market risks holistically and to support the maintaining of its rating under different market scenarios.

Operational risks

Fortum's business activities include energy generation, storage and control of operations, as well as the construction, modernisation, maintenance and decommissioning of power plants or other energy-related industrial facilities. Any unwanted operational event (which could be caused by, e.g., technical failure, human or process error, natural disaster, sabotage, failure of key suppliers, or terrorist attack) can endanger personal safety or lead to environmental or physical damage, business interruptions, project delays and possible third-party liability. The associated costs can be high, especially in Fortum's largest units and projects.

Climate change

Fortum believes that the growing awareness and concern about climate change will increase the demand for low-carbon and resource- and energy-efficient energy products and services. The company is leveraging its know-how in hydro, nuclear, wind and solar power by offering its customers low-carbon energy solutions. The electrification of energy-intensive industry, services and transportation is likely to increase the consumption of low-carbon electricity in particular. The development of the hydrogen economy, and especially renewable hydrogen produced with renewable power, will potentially offer future business opportunities for Fortum.

Driving the transition to a low-carbon economy is therefore an integral part of Fortum's strategy. Fortum's strategy includes ambitious sustainability and decarbonisation targets. However, the transition to a low-carbon economy poses a number of strategic and operative risks related to changes in energy and climate policy and regulation, technology development and the business environment in which Fortum operates.

Fortum's operations are exposed to the physical risks caused by climate change, including changes in weather patterns that could alter energy production volumes and energy demand. Fluctuating precipitation, flooding and extreme temperatures may affect, e.g., hydropower generation, dam safety, availability of cooling water, and the price and availability of biofuels. Hydrological conditions, precipitation, temperatures, and wind conditions also affect the short-term electricity price in the Nordic power market. In addition to climate change mitigation, we also aim to adapt our operations, and we take climate change into consideration in, among other things, the assessment of growth projects and investments as well as in operation and maintenance planning. Fortum identifies and assesses its assets' resilience towards different acute and chronic physical climate-related risks within different Intergovernmental Panel on Climate Change (IPCC) climate scenarios and creates adaptation plans for the most material risks.

Outlook

In the near term, the ongoing disruption of the energy sector is impacted by geopolitical tensions, the general negative economic outlook with high inflation and interest rates, tightening regulations and volatile commodity markets. In addition, in the short-term, price elasticity to counter high electricity prices has an impact on power consumption.

In the long term, electricity is expected to continue to gain a significantly higher share of total energy consumption. The electricity demand growth rate will largely be determined by classic drivers, such as macroeconomic and demographic development, but also increasingly by decarbonisation of energy-intensive industrial, transport and heating sectors through direct electrification and green hydrogen.

Hedging

At the end of 2024, approximately 75% of the Generation segment's estimated Nordic power sales volume was hedged at 42 EUR/MWh for 2025 (at the end of the third quarter of 2024: 65% at 42 EUR/MWh), and approximately 45% at 41 EUR/MWh for 2026 (at the end of the third quarter of 2024: 40% at 41 EUR/MWh). Fortum's hedge ratios and prices comprise its outright nuclear, hydro and wind generation volumes. The current outright portfolio amounts to approximately 47 TWh. The reported hedge ratios are based on the hedges and power generation forecasts of the Generation segment.

In February 2024, Fortum set a strategic target to have a hedged share of rolling 10-year outright generation volume of more than 20% by the end of 2026. The achievement of this target is updated once a year in connection with the Group's full-year results. At the end of 2024, the hedged share of the rolling 10-year outright generation volume was approximately 18%.

The reported hedge ratios may vary significantly, depending on Fortum's actions on the electricity derivatives markets. Hedges are mainly financial contracts, most of which are electricity derivatives quoted on the power futures exchange and traded either on the futures exchange or with bilateral counterparties. As an additional liquidity risk mitigation measure, Fortum has mainly been hedging with bilateral agreements, and the exposure on the futures exchange has been clearly lower during recent years. Fortum continues to utilise dual channels for its hedging: trading on the futures exchange, depending on the market liquidity and financial optimisation, and through bilateral arrangements.

Generation

The Generation segment's achieved Nordic power price typically depends on factors such as hedge ratios, hedge prices, spot prices, availability and utilisation of Fortum's flexible generation portfolio, as well as currency fluctuations. The annual outright portfolio in hydro, nuclear and wind generation amounts to approximately 47 TWh, an increase of approximately 2 TWh from the previously guided 45 TWh, due to the commissioning of Olkiluoto nuclear power plant's third unit and the Pjelaž wind farm in Finland.

The split of Fortum's blended price based on its price area exposure of the normalised outright generation portfolio is approximately: Finland 46%, Sweden SE3 37% and Sweden SE2 17%. The volumes depend on various criteria such as outages, hydrology and other market dynamics.

Excluding the potential effects from changes in the power generation mix, a 1 EUR/MWh change in the Generation segment's achieved Nordic power price will result in an approximately EUR 47 million change in the segment's annual comparable operating profit.

Fortum's achieved power price includes operations in the physical and financial commodity markets, as well as the optimisation premium of Fortum's outright generation portfolio. The annual optimisation premium included in the achieved power price is estimated to be in the range of 6–8 EUR/MWh, depending on overall market conditions, level of volatility and market prices for electricity and environmental value products. In 2024, Fortum's optimisation premium was 8.7 EUR/MWh.

In Sweden, the regular update of the property tax values occurring every six years was concluded. The outcome for Fortum is that the annual property tax in Sweden will increase by approximately EUR 30 million from the year 2025. The new run-rate is effective until and including 2030.

Efficiency Improvement Programme

Fortum targets to reduce its annual fixed costs by EUR 100 million (excluding inflation) gradually until the end of 2025 with a full run-rate from the beginning of 2026. The reduction of EUR 100 million corresponds to some 10% of the Group's fixed cost base for the year 2022. The divestments in Circular Solutions, mainly Fortum's recycling and waste business, reduces the Group's fixed cost base by approximately EUR 150 million from 2025. In 2024, Fortum implemented actions that reduced the recurring fixed cost base by more than EUR 60 million. Fortum estimates that the new run-rate for its fixed cost base in 2026 will be approximately EUR 850 million excluding the increase in the Swedish property tax from 2025. Simultaneously, Fortum has already in 2024 taken actions to build preparedness for future growth which consumed development costs of approximately EUR 50 million, i.e. renewables development, site development, build-up of the commercial organisation and the hydrogen pilot project.

During 2024, cost-saving initiatives were ongoing across all business units and enabling functions. The efficiency improvement measures included reduction in the use of external services, insourcing of certain activities, re-designing and optimising IT services, and improving internal processes to increase efficiency and streamline the organisation. Change negotiations initiated in January in the Consumer Solutions segment and the IT unit were concluded in March. These negotiations resulted in a total of approximately 70 redundancies in these units. In addition, the merger of Fortum Markets and Telge Energi creates personnel synergies in the Consumer Solutions segment of approximately 80 FTEs with full effect from the first quarter of 2025. The cost savings from the synergies will be approximately EUR 8 million in 2025.

Income taxation

The comparable effective income tax rate for Fortum is estimated to be in the range of 18–20% for 2025–2027. Fortum's comparable effective tax rate is impacted by the weight of the comparable profit in different jurisdictions and differences in standard nominal tax rates in these jurisdictions. The tax rate guidance excludes items affecting comparability.

Capital expenditure

Fortum's capital expenditure for 2025–2027, including maintenance but excluding acquisitions, is expected to be approximately EUR 1.4 billion, of which annual growth capital expenditure is expected to be EUR 150–300 million and annual maintenance capital expenditure EUR 250 million. Depending on the general market development and investment environment, new investment decisions may be made.

Sustainability

In this Financial Statements Bulletin, Fortum's sustainability key performance indicators are presented for environmental and social sustainability. Fortum's sustainability information, based on the double materiality assessment (DMA), will be disclosed in the annual sustainability statement prepared in accordance with the European Sustainability Reporting Standards (ESRS) of the Corporate Sustainability Reporting Directive (CSRD). From 2024 onwards, Fortum also reports on its sustainability-related financial information, including climate-related disclosures, referencing to the requirements of the International Financial Reporting Standards (IFRS) sustainability disclosure standards S1 (General requirements for disclosure of sustainability-related financial information) and S2 (Climate-related disclosures). Thus, from financial year 2024 onwards, Fortum no longer adopts the reporting recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), as the IFRS standards fully incorporate them.

Environmental sustainability

In this Financial Statements Bulletin, Fortum's targets and key performance indicators for environmental sustainability are related to greenhouse gas (GHG) emissions, biodiversity and major environmental incidents. 100% of Fortum's production sites are certified according to the ISO 14001 environmental management system standard.

In 2024, Fortum revisited its climate targets and created a transition plan for climate change mitigation to be in line with the international Science Based Targets initiative (SBTi). In January 2025, SBTi approved Fortum's near- and long-term science-based emissions reduction targets and science-based net-zero target by 2040. The targets are aligned with the level of emissions reduction needed to limit global warming to 1.5°C. Fortum's commitment to SBTi targets is a significant milestone on Fortum's sustainability journey, in the core of the company's strategy and a vital part of its execution.

Fortum's SBTi-verified near- and long-term climate targets are listed below. Fortum commits to:

- Reach net-zero GHG emissions across the value chain by 2040.
- Reduce Scope 1 and 2 GHG emissions by 85% per MWh by 2030 and by 90% per MWh by 2040 from a 2023 base year*.

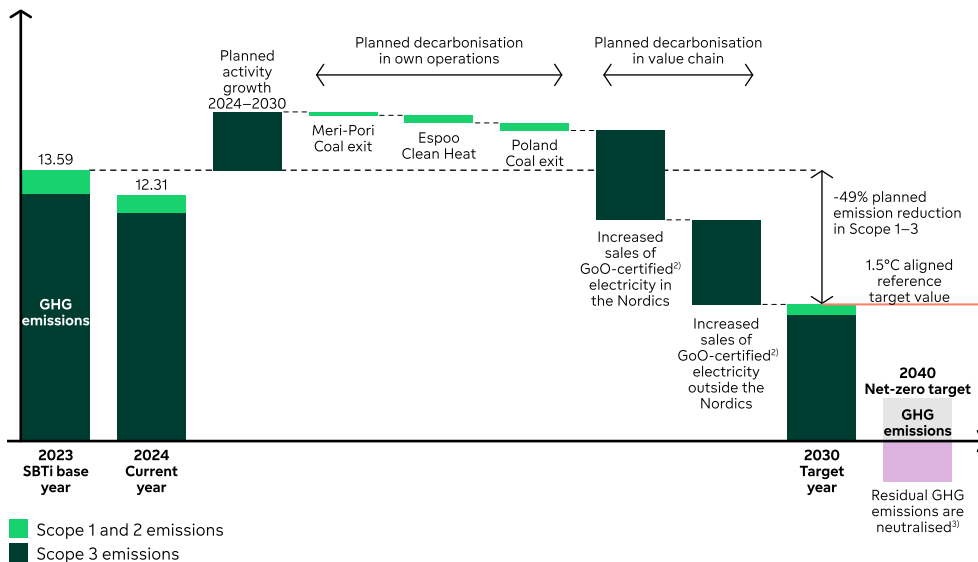
- Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 69% per MWh by 2030 and by 94% per MWh by 2040 from a 2023 base year*.
- Reduce absolute Scope 3 GHG emissions from the use of sold products for sold fossil fuels by 55% by 2033 and by 90% by 2040 from a 2023 base year.
- Reduce absolute Scope 3 GHG emissions from fuel- and energy-related activities by 90% by 2040 from a 2023 base year.

*The SBTi target boundary includes land-related emissions and removals from bioenergy feedstocks.

Fortum's transition plan for climate change mitigation includes decarbonisation of own operations and the value chain. The company will prioritise direct emissions reductions and all residual emissions will be neutralised in line with the SBTi criteria in order to reach net-zero emissions.

Illustrative transition plan for climate change mitigation

Total absolute fossil emissions (Mt CO₂-eq)¹⁾



1) The transition plan is excluding Recycling and Waste business, divested in November 2024.

2) Guarantee of origin (GoO) refers to an electronic document that provides evidence that a given share or quantity of energy has been produced with, for example, renewable sources or nuclear power.

3) Residual emissions are either decarbonised from our own value chain or neutralised to reach Net-zero emissions in 2040.

The transition plan defines actions and resources towards net-zero targets and is anchored with the overall business strategy and the strategic priorities: deliver reliable clean energy, drive decarbonisation in industries, and transform and develop. The plan is based on existing operations and business structure. The plan is dependent on future development and changes on energy policy and regulations, market structure, power and heat demand, fuel supply, innovations in technology, as well as changes in GHG calculation methodologies and SBTi guidelines. The main assumptions include e.g. currently planned growth in power generation and sales. For 2030–2040, the main decarbonisation lever will be increasing the share of renewable and nuclear-based electricity in the product portfolio in all markets (Scope 3).

When the SBTi targets were set, the Group-level carbon neutrality target was removed. Fortum's other climate targets remain unchanged:

- Coal exit in the company's own operations by the end of 2027.
- Specific emissions at below 20 g CO₂/kWh for total energy production, and below 10 g CO₂/kWh for power generation by 2028.

Climate targets and performance

	Measure	Base year	Base-year value ¹⁾	Target year	2024	2023	Change compared to base year, %
Reduce Scope 1 and 2 GHG emissions from electricity and heat generation by 85% per MWh ^{2,3)}	tCO ₂ -eq/MWh	2023	0.024	2030	0.018	0.024	-23
Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 69% per MWh ^{2,3)}	tCO ₂ -eq/MWh	2023	0.13	2030	0.11	0.13	-12
Reduce absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 55% ²⁾	tCO ₂ -eq	2023	949,779	2033	1,266,451	949,779	33
Specific emissions of <20 gCO ₂ /kWh for total energy production	gCO ₂ /kWh	N/A	N/A	2028	26	31	N/A
Specific emissions of <10 gCO ₂ /kWh for power generation	gCO ₂ /kWh	N/A	N/A	2028	11	15	N/A
Coal exit in the company's own operations ⁴⁾	GW	N/A	N/A	2027	1.0	1.3	N/A

1) Base-year value excludes the recycling and waste business divested in November 2024.

2) Near-term science-based emissions reduction target.

3) The target boundary includes land-related emissions and removals from bioenergy feedstocks.

4) Coal-based capacity for power and heat.

Fortum's Scope 1 and Scope 2 greenhouse gas intensity for electricity and heat production decreased by 0.005 tCO₂-eq/MWh (23%) in 2024 due to actions taken to reduce coal use. Additionally, Scope 3 emissions from sold electricity decreased due to the increased sales of GoO-certified electricity, which also led to a decrease in the electricity sales intensity by 0.02 tCO₂-eq/MWh (12%). The volume of gas sales increased, resulting in a 0.3 Mt CO₂-eq (33%) increase in GHG emissions from the use of sold gas.

Fortum has committed to the following biodiversity targets:

- No net loss of biodiversity from existing and new operations in Scopes 1 and 2 from 2030 onwards, excluding all aquatic impacts.
- 50% reduction in dynamic terrestrial impacts in upstream Scope 3 by 2030 compared to base year 2021.
- Commitment to continue local initiatives and participate in the development of a science-based methodology to assess the aquatic impacts of hydropower.

In 2024, Fortum continued to implement local initiatives, participate in developing the aquatic segment of the Global Biodiversity Score[®] (GBS)[®] tool, and assess other potential tools and approaches to measure hydropower's aquatic biodiversity impacts. As an example, Fortum conducted a pilot project to develop a Water Nature Index at Emäjoki, Finland. In 2024, Fortum also started building a process to qualitatively assess the aquatic impacts and mitigation possibilities of hydropower, following the steps of the ecological mitigation hierarchy, at the river level. In addition, Fortum started working with wind (Borgvik, Sweden), solar (Tarvasjoki, Finland) and heat storage facility (Nuijala, Finland) case studies. The studies aim to create a process to analyse the biodiversity footprint for new investments and assess biodiversity impact mitigation possibilities (for adverse impacts) in order to reach the corporate-level No Net Loss target from 2030 onwards. A detailed, Group-level biodiversity transition plan is under development and estimated to be ready during 2025.

As a continuum from previous years, in 2024 Fortum continued to carry out both voluntary and licence-related hydro-power biodiversity measures to mitigate negative impacts and, where possible, to implement improvement measures. In 2024, Fortum also started to apply new sustainable forest management guidelines in company-owned forests. The purpose of the guidelines is to enable an overall increase in biodiversity values and concurrently safeguard the recreational and cultural values in forests.

Major environmental incidents are monitored, reported and investigated, and corrective actions are implemented. Major environmental incidents are incidents that resulted in significant harm to the environment (ground, water, air) or environmental non-compliances with legal or regulatory requirements. In January–December 2024, there was 1 (2) major environmental incident: a major leakage of extinguishing water into the environment in connection with a large fire in an energy waste bunker in Turku, Finland. A transformer oil leakage in Bytom, Poland, was previously classified as a potential major environmental incident (non-compliance), but further investigation showed only minor oil leakage to the environment, and the case was reclassified as a minor leak.

Group performance, environmental sustainability

	IV/2024	IV/2023	2024	2023
Emissions				
Total market-based GHG emissions, Scope 1-3, million tonnes (Mt) CO ₂ -eq ¹⁾	N/A	N/A	12.9	14.1
Direct CO ₂ emissions, Mt	0.3	0.4	1.3	1.6
Specific CO ₂ emissions from total energy production, gCO ₂ /kWh ²⁾	24	30	26	31
Specific CO ₂ emissions from power generation, gCO ₂ /kWh ²⁾	10	12	11	15
Free emission allowances, Mt	N/A	N/A	0.1	0.2
Emissions subject to ETS, Mt	0.2	0.3	0.8	1.1
Emissions not subject to ETS, Mt	0.1	0.1	0.5	0.5
Other				
Major environmental incidents ³⁾ , no.	0	0	1	2
Power generation, TWh	11.4	13.3	46.3	47.0
Share of power generation from renewable and nuclear sources, %	98	98	99	98
Coal-based capacity, GW	1.0	1.3	1.0	1.3
Coal-based power generation capacity, GW	0.7	0.7	0.7	0.7
Coal-based heat production capacity, GW	0.4	0.6	0.4	0.6
Coal-based power and heat production, TWh	0.4	0.5	1.4	1.9
Coal-based power generation, TWh	0.1	0.1	0.4	0.6
Coal-based heat production, TWh	0.2	0.4	0.9	1.2
Share of coal of sales, %	3	2	3	3
Share of fossil fuels of production-based sales, %	7	5	6	5
Share of fossil fuels of sales ⁴⁾ , %	11	12	12	11

1) In 2024, Fortum updated the GHG inventory process to improve its accuracy and completeness and recalculated GHG emissions for 2023, which decreased total Scope 1, 2, and 3 emissions by 0.2 Mt CO₂-eq. In 2024, total Scope 1, 2, and 3 market-based GHG emissions were 12.9 Mt CO₂-eq, with a decrease of 1.2 Mt CO₂-eq (9%) compared to 2023.

2) Year 2023 figures have been recalculated to align with changes in the calculation process, which decreased annual specific CO₂ emissions for energy production and for power generation by 1 gCO₂/kWh.

3) Number of environmental incidents that resulted in significant harm to the environment (ground, water, air) or an environmental non-compliance with legal or regulatory requirements.

4) Includes fossil-based production and gas sales.

Social sustainability

In this Financial Statements Bulletin, Fortum's targets and key performance indicators for social sustainability are related to occupational safety and to employee health and wellbeing.

Fortum strives to be a safe workplace for the employees, contractors and service providers who work for the company. A certified ISO 45001 safety management system covers 100% of Fortum's production sites. Fortum's safety targets for 2024 were:

- Total Recordable Injury Frequency (TRIF) for own personnel and contractors to be below 1.0 by the end of 2030.
- No severe or fatal injuries.
- 60% execution rate for Safety improvement plans in 2024.

Group performance, social sustainability

	IV/2024	IV/2023	2024	2023
Total Recordable Injury Frequency (TRIF), own personnel and contractors, injuries per million working hours ¹⁾	5.5	4.7	4.0	5.0
Lost Time Injury Frequency (LTIF), own personnel and contractors, injuries per million working hours ¹⁾	3.7	3.0	2.7	3.9
Severe or fatal injuries, no.	1	0	2	0

1) Figure IV/2023 is updated from 2023 reporting due to reclassification of an incident.

Fortum's safety performance in 2024 had a positive trend, as reflected in the TRIF value. However, reaching the TRIF target level requires continuous work on safety culture and learning from incidents and near-misses. In 2024, two severe injuries occurred. A contractor's employee in Wrocław (Heating and Cooling, Poland) fell from a height of approximately four metres, resulting in foot and spine fractures. The other severe injury happened to a contractor at the Karåsen hydropower plant (Hydro generation, Sweden). During lifting work, the contractor's hand was crushed, which led to the amputation of a finger.

The overall execution rate for Safety improvement plans in 2024 was 90% which exceeded the set target level (60%). One of the actions was participation in the Safety and Security Leadership Programme. Over 550 persons completed the programme, exceeding the targeted 460 persons.

Fortum's goal regarding workplace wellbeing activities is to promote its employees' health and occupational safety as well as the functionality of the work community. Fortum measures its employees' perceptions on health and wellbeing as well as Fortum's efforts in supporting their mental, physical and social wellbeing through an employee survey carried out twice a year. Fortum's November 2024 health and wellbeing score was 7.9 (excluding recycling and waste business employees), on par with the energy and utility sector peer benchmark.

Fortum expects its business partners to act responsibly and to comply with the requirements set forth in the Code of Conduct and Supplier Code of Conduct. Fortum assesses the performance of its business partners with supplier qualifications, supplier audits and a Know Your Counterparty (KYC) process. In January–December 2024, Fortum conducted eight on-site supplier audits in China. In June 2024, Fortum joined the Solar Stewardship Initiative to improve sustainability in the solar supply chains.

Fortum collaborates with communities and organisations at global, national and local levels through the Corporate Social Responsibility (CSR) programme. During the first quarter of 2024, the CSR programme priorities were revised to align with Fortum's strategy. With the CSR programme, Fortum strives for impactful collaboration on environmental topics (focus on climate change, biodiversity and water) and social topics (focus on education, climate change adaptation and equality). In 2024, Fortum supported several organisations through its CSR programme, for example, Save the Children (multiple countries), Natural Heritage Foundation (Finland), Maskrosbarn (Sweden) and World Food Programme (global). Fortum has also supported humanitarian efforts in Ukraine by helping maintain the operability of critical infrastructure through power outages.

ESG ratings and recognitions

Fortum actively participates in the following ESG assessment schemes:

ESG Rating	Fortum score	Maximum score	Latest assessment
CDP Climate Change	A-	A	February 2025
CDP Supplier Engagement	A-	A	March 2024
MSCI ESG Ratings	A	AAA	December 2024
ISS ESG Corporate Rating	B (Prime)	A+	January 2025
Moody's ESG Solutions	63	100	April 2024

In addition, Fortum is listed on the Nasdaq Helsinki stock exchange and is included in the OMX Sustainability Finland and ECPI[®] indices. Fortum has been certified as a Nasdaq ESG Transparency Partner.

Legal actions

On 22 October, Fortum announced that it has initiated legal proceedings before a Dutch civil court against PAO Forward Energy (formerly known as PAO Fortum). The proceedings concern intercompany loans of approximately EUR 600 million granted to PAO Fortum. The claim, including interest and default interest, amounts to approximately EUR 800 million. The final amount will depend on the RUB/EUR foreign exchange rate and amount of due interest.

On 10 October, Fortum announced that Fortum and Vestas had reached a settlement in a commercial dispute between the companies. The dispute concerned deliveries of equipment for wind parks in Russia for which Fortum had made advance payments to Vestas. The financial impact of the settlement was recorded as items affecting comparability in the fourth quarter of 2024. With the settlement agreement, the previously commenced International Chamber of Commerce arbitration process has been terminated.

On 20 June, the Belgian Supreme Court ruled in favour of Fortum in connection with Fortum's income tax assessments in Belgium for the year 2008. The decision concerns Fortum's Belgian financing company, Fortum EIF NV, which provided internal financing to a Swedish group company to finance an acquisition in Russia. The amount of additional tax claimed for 2008 is EUR 36 million. The tax has been paid and recognised as a receivable and it was repaid to Fortum during the third quarter of 2024. In addition, Fortum received EUR 19 million pre-tax in interest income, which was recorded as financial items in the second quarter of 2024. The decision is final and this is the last open year in Fortum's Belgian tax audits. The previous court ruling was made in Fortum's favour in 2022.

On 27 February, Fortum announced that it had initiated arbitration proceedings against the Russian Federation and will claim compensation for the unlawful expropriation of its assets in order to protect its legal position and shareholder rights. The commencement of arbitration proceedings follows the Russian Federation's violations of its investment treaty obligations under the Bilateral Investment Treaties that Russia has with the Netherlands and Sweden.

Fortum is seeking compensation for the value of its shares in PAO Fortum (currently PAO Forward Energy) and its investments in Russia, amounting to several billions of euros. The dispute stems from the hostile actions taken by the Russian Federation, which culminated with the Presidential Decree No. 302 issued on 25 April 2023, whereby Fortum lost control of its Russian operations. The arbitration proceedings are expected to take several years, followed by enforcement of the arbitral award.

For further information on legal actions, see Note 16.

Shares and share capital

Fortum shares on Nasdaq Helsinki

January–December 2024	No. of shares traded	Total value EUR	High EUR	Low EUR	Average EUR ¹⁾	Last EUR
FORTUM	433,363,470	5,694,418,653	15.01	10.83	13.14	13.52

1) Volume-weighted average.

	31 December 2024	31 December 2023
Market capitalisation, EUR billion	12.1	11.7
Number of shareholders	224,321	218,160
Finnish State holding, %	51.3	51.3
Nominee registrations and direct foreign shareholders, %	22.0	22.9
Households, %	14.1	12.8
Financial and insurance corporations, %	2.2	2.4
Other Finnish investors, %	10.5	10.6

In addition to Nasdaq Helsinki, Fortum shares were traded on several alternative market places, for example Boat, Cboe and Turquoise, and on the OTC market. In 2024, approximately 69% of Fortum's shares were traded on markets other than Nasdaq Helsinki (source Bloomberg).

On 31 December 2024, Fortum Corporation's share capital was EUR 3,046,185,953 and the total number of registered shares was 897,264,465. Fortum Corporation does not hold any of the company's own shares.

Group personnel

Fortum's operations are mainly based in the Nordic countries. The total number of employees at the end of December 2024 was 4,466 (31 Dec 2023: 5,225).

At the end of December, the Generation segment had 2,053 (31 Dec 2023: 1,758) employees, the Consumer Solutions segment 1,118 (31 Dec 2023: 1,281), and the Other Operations segment 1,295 (31 Dec 2023: 2,186). During the fourth quarter, the Other Operations segment divested Circular Solutions' businesses with approximately 1,070 employees. During the second quarter, the Generation segment insourced 250 employees to its hydropower operations and maintenance team in Sweden and Finland.

Changes in management

On 27 June, Fortum announced that Bernhard Günther, Chief Transformation Officer and member of Fortum Leadership Team, would leave Fortum at the end of 2024 by mutual agreement. The Transformation Office was terminated and the work was handed over to the line organisation at the end of the year.

On 28 June, Fortum announced that Nora Steiner-Forsberg, Executive Vice President, Legal, General Counsel, and Eveliina Dahl, Executive Vice President, People and Procurement, would leave Fortum at the end of 2024 to take on positions in other companies. At the end of December, Fortum announced the appointments of Kati Levoranta (LL.M., MBA) as Executive Vice President, Legal, General Counsel, and Karin Svenske Nyberg (M.Sc.) as Executive Vice President, People. Both Kati Levoranta and Karin Svenske Nyberg will become members of the Fortum Leadership Team. Svenske Nyberg will start in her new role on 1 May 2025 and Levoranta on 1 July 2025 at the latest.

Remuneration and share-based incentive plan 2024–2026

In December 2023, Fortum’s Board of Directors decided to commence the 2024–2026 long-term incentive (LTI) plan as part of Fortum’s ongoing long-term incentive programme; the maximum number of shares that may be delivered as reward amounts to approx. 1,100,000 shares.

The maximum number of shares granted (gross) to the President and CEO is 125,000. Respectively, taking into account the changes in Fortum Leadership Team (FLT) during 2024, the maximum number of shares granted (gross) to the other FLT members totalled 206,687 on 31 December 2024. The total number of shares granted in the 2024–2026 LTI plan was 918,870 on 31 December 2024. The outcome of the 2024–2026 LTI plan shall be confirmed in spring 2027.

On 17 September, Fortum’s Board of Directors decided to launch the savings period for the year 2025 under its Employee Share Savings (ESS) programme. The terms and conditions of the savings programme are the same as in previous programmes. The total amount of all savings for the 2025 savings period may not exceed EUR 6 million.

Annual General Meeting 2024

The Annual General Meeting of Fortum Corporation (AGM) 2024 was held at Messukeskus in Helsinki, Finland, on 25 March 2024.

The AGM adopted the Financial Statements and the Consolidated Financial Statements for the financial period 1 January–31 December 2023 and resolved to discharge from liability for the financial year 2023 all the persons who had served as members of the Board of Directors and as President and CEO during 2023.

The AGM resolved that a dividend of EUR 1.15 per share will be distributed for the financial year that ended on 31 December 2023 and that the dividend will be paid in two instalments. The first dividend instalment of EUR 0.58 per share was paid to shareholders who on the record date of the first dividend instalment, 27 March 2024, were recorded in the company’s shareholders’ register held by Euroclear Finland Oy. The first dividend instalment was paid to the shareholders on 5 April 2024. The second dividend instalment of EUR 0.57 per share was paid to the shareholders who on the record date of the second dividend instalment, 2 October 2024, were recorded in the company’s shareholders’ register held by Euroclear Finland Oy. The second dividend instalment was paid on 9 October 2024.

The AGM resolved to approve the Remuneration Report of the Company’s Governing Bodies for 2023 and to support the Remuneration Policy of the Company’s Governing Bodies. These resolutions made were advisory.

Board of Directors, remuneration, auditor and sustainability reporting assurer

The AGM resolved that the remuneration payable to the members of the Board of Directors will be changed in line with the earlier decision in principle to increase the remuneration, and the remuneration to be paid for the next term will be as follows:

- Chair EUR 128,200 per year
- Deputy Chair EUR 79,400 per year
- Members EUR 56,800 per year.

In addition to the annual fee, fixed fees will be paid for Committee work as follows:

- Chair EUR 22,600 per year, provided that he/she does not simultaneously act as a Chair or Deputy Chair of the Board.
- Member EUR 5,400 per year. If the Chair of the Committee simultaneously acts as Chair or Deputy Chair of the Board of Directors, he/she will be paid the fixed fee of a Committee member. The Chair and the members of any additional Committee established by a Board decision will only be paid the meeting fees.

The meeting fee payable to a Board member, also for the Committee meetings, will be EUR 1,000 for each meeting, or EUR 2,000 if the member travels to the meeting outside his/her country of residence. When a member participates in the meeting via remote connection, or for the decisions that are confirmed without convening a meeting, the meeting fee will be EUR 1,000. The travel expenses of Board members are compensated in accordance with the company’s travel policy. The annual fee for the Board work of the Board members will be paid in company shares and in cash in such a way that approximately 40% of the amount of the annual fee will be payable in shares acquired on behalf and in the name of the Board members, and the remainder in cash. The company will pay the costs and the transfer tax related to the purchase of the company shares. The shares will be acquired on behalf and in the name of the Board members within

two weeks following the publication of the company's first-quarter 2024 interim report. If share purchases cannot be carried out within the aforementioned schedule due to a reason related to the company or a Board member, the shares will be acquired later, or the annual fee will be paid fully in cash. The meeting fees and the fixed fees for the Committee work will be paid fully in cash.

The AGM resolved that the Board of Directors will consist of nine members, the Chair and the Deputy Chair included, and the following persons were elected to the Board of Directors for a term ending at the end of the Annual General Meeting 2025: Mikael Silvennoinen as Chair, Essimari Kairisto as Deputy Chair, and Ralf Christian, Luisa Delgado, Jonas Gustavsson, Marita Niemelä, Teppo Paavola, Johan Söderström and Vesa-Pekka Takala as Members.

In addition, Deloitte Oy was re-elected as the company's auditor. The auditor's fee is paid pursuant to an invoice approved by the company.

The AGM resolved to elect the sustainability audit firm Deloitte Oy as the company's sustainability reporting assurer. The sustainability reporting assurer's fee is paid pursuant to an invoice approved by the company.

Amendment of the Articles of Association of the company

The AGM resolved to amend the second paragraph of Article 11 of the company's Articles of Association. In accordance with the second paragraph of Article 11 of the Articles of Association, the term of office of the auditor shall be one financial year.

Repurchase and disposal of the company's own shares

The AGM resolved to authorise the Board of Directors to decide on the repurchase and disposal of the company's own shares up to 20,000,000 shares, which corresponds to approximately 2.23 per cent of all the shares in the company. Only the unrestricted equity of the company can be used to repurchase own shares on the basis of the authorisation. These authorisations cancelled the authorisations resolved by the AGM 2023 and will be effective until the next AGM and in any event no longer than for a period of 18 months. These authorisations have not been used as of 10 February 2025.

Charitable contributions

The AGM resolved to authorise the Board of Directors to decide on contributions in the total maximum amount of EUR 500,000 for charitable or similar purposes, and, in addition, in the total maximum amount of EUR 1,000,000 for incidental emergency relief or similar purposes as needed, and to decide on the recipients, purposes and other terms of the contributions. The authorisations will be effective until the next AGM. As of 10 February 2025, EUR 325,000 of the authorisation for charitable or similar purposes and EUR 356,000 for incidental emergency relief has been used.

Amendment of the Charter of the Shareholders' Nomination Board

The AGM resolved to amend the Charter of the Shareholders' Nomination Board in a such way that the shareholders entitled to appoint a member are determined on the basis of the shareholders' register of the company maintained by Euroclear Finland Oy on the first working day in June each year, and that the Chair of the company's Board of Directors will act as a non-voting expert of the Shareholders' Nomination Board. In addition, certain technical amendments were made to the Charter of the Shareholders' Nomination Board.

Other major announcements during the fourth quarter of 2024

On 19 December, the Shareholders' Nomination Board of Fortum submitted its proposals to the Annual General Meeting 2025 to Fortum's Board of Directors.

On 18 December, the Board of Directors of Fortum Corporation decided to commence the 2025–2027 long-term incentive (LTI) plan for key employees and executives. The 2025–2027 LTI plan is part of Fortum's ongoing LTI programme and follows the same principles as the previous plan. The performance measures for the LTI plan support the execution of Fortum's strategic priorities to deliver clean energy reliably, drive decarbonisation in industries and to transform and develop. The measures are also in line with the company's ambitious environmental targets. The relative Total Shareholder Return (TSR) is measured relative to the peer group comprising selected European utility companies. The other performance measures are based on the increase in the share of long-term customer power purchase agreements (PPA) as part of hedging, and the sustainability measures are based on the development of a pipeline of renewable energy for future optionality, and emission reduction targets aligned with SBTi. The rewards related to the 2025–2027 LTI plan will be paid in the spring 2028, assuming that the performance targets are achieved. The 2025–2027 LTI plan will comprise a maximum number of

approximately 110 participants, including the members of the Fortum Leadership Team. The Board of Directors also decided to commence the 2025–2027 restricted share (RS) plan as a supplement to the LTI programme and reserve shares that potentially will be delivered in the spring 2028. The maximum number of shares of the plan that may be delivered as a reward is expected to be approximately 1,000,000 shares for the 2025–2027 LTI plan and 100,000 shares for the 2025–2027 RS plan.

Events after the balance sheet date

On 9 January 2025, Fortum published its ambitious climate targets validated by the international Science Based Targets initiative (SBTi). In 2024, Fortum revisited its climate targets and set near- and long-term science-based emissions reduction targets and a net-zero target across the value chain by 2040. The targets are aligned with the level of emissions reduction needed to limit global warming to 1.5°C.

Dividend distribution proposal

The Board of Directors proposes that a dividend of EUR 1.40 per share be paid for the financial year 2024. The proposed dividend of EUR 1.40 per share comprises EUR 0.90 which corresponds to 90% payout of the Group's comparable earnings per share (EPS) of EUR 1.00 and EUR 0.50 as a special dividend.

In Fortum's dividend policy, the payout ratio is 60–90% of the Group's comparable EPS. In situations with strong balance sheet and low investments, Fortum applies the upper end of the range of the payout ratio. Through the proposed special dividend Fortum activates its balance sheet and rectifies its current very strong liquidity position.

Based on the number of shares registered as at 10 February 2025, the total amount of dividend would be EUR 1,256,170,251.

The dividend would be paid to shareholders who on the record date of the dividend payment 3 April 2025 are recorded in the Company's shareholders' register held by Euroclear Finland Oy. The Board of Directors proposes that the dividend be paid on 10 April 2025.

Further information:

Investor Relations and Financial Communications: Ingela Ulfves, tel. +358 40 515 1531, Rauno Tiihonen, tel. +358 10 453 6150, Siri Markula, tel. +358 40 743 2177, Pirjo Lifländer, tel. +358 40 643 3317, and investors@fortum.com

Media: Fortum News Desk, tel. +358 40 198 2843

The Financial Statements Bulletin has been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the EU. The Financial Statements Bulletin is unaudited.

Financial calendar

The Financial Statements and Operating and Financial Review for 2024 will be published during week 8, starting on 17 February 2025, at the latest.

Fortum will publish three interim reports in 2025:

- January-March Interim Report on 29 April 2025 at approximately 9.00 EEST.
- January-June Half-year Financial Report on 15 August 2025 at approximately 9.00 EEST.
- January-September Interim Report on 29 October 2025 at approximately 9.00 EET.

The Annual General Meeting 2025 of Fortum Corporation is planned to be held on 1 April 2025. The Board of Directors will summon the Annual General Meeting at a later date.

Distribution:

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Key media
www.fortum.com

More information, including detailed quarterly information, is available at www.fortum.com/investors.

The Financial Statements Bulletin is unaudited.

Condensed consolidated income statement

EUR million	Note	IV/2024	IV/2023	2024	2023
Sales	3	1,435	1,858	5,800	6,711
Other income		10	10	48	32
Materials and services		-821	-1,106	-3,295	-3,808
Employee benefits		-129	-120	-485	-436
Depreciation and amortisation	3	-98	-101	-379	-359
Other expenses		-141	-182	-511	-595
Comparable operating profit	3	257	359	1,178	1,544
Items affecting comparability	3, 4	133	18	147	118
Operating profit	3	390	376	1,325	1,662
Share of profit of associates and joint ventures	3, 7	-38	89	19	59
Interest expense		-51	-52	-226	-269
Interest income		55	50	234	165
Other financial items - net		32	25	47	-34
Finance costs - net	8	35	24	55	-138
Profit before income tax		388	488	1,399	1,583
Income tax expense	9	-49	-76	-239	-69
Net profit from continuing operations		338	413	1,160	1,515
Attributable to:					
Owners of the parent		344	410	1,164	1,514
Non-controlling interests		-6	3	-4	1
Net profit from discontinued operations	6.3	—	—	—	-3,582
Attributable to:					
Owners of the parent		—	—	—	-3,583
Non-controlling interests		—	—	—	1
Net profit, total Fortum		338	413	1,160	-2,067
Attributable to:					
Owners of the parent		344	410	1,164	-2,069
Non-controlling interests		-6	3	-4	2
Earnings per share for profit attributable to the equity owners of the company (EUR per share)					
Basic, continuing operations		0.39	0.45	1.30	1.68
Basic, discontinued operations		—	—	—	-3.99
Basic, total Fortum		0.39	0.45	1.30	-2.31

As Fortum currently has no dilutive instruments outstanding, diluted earnings per share is the same as basic earnings per share.

Fortum's condensed consolidated income statement and consolidated cash flow statement include the Russia segment as discontinued operations in 2023. For further information, see Note 1 Significant accounting policies and Note 6 Acquisitions, disposals and discontinued operations.

EUR million	Note	IV/2024	IV/2023	2024	2023
Comparable operating profit		257	359	1,178	1,544
Impairment charges and reversals		-15	0	-17	0
Capital gains and other related items		176	2	183	4
Changes in fair values of derivatives hedging future cash flow		-69	21	-61	111
Other		42	-5	43	3
Items affecting comparability	3, 4	133	18	147	118
Operating profit		390	376	1,325	1,662

See Note 19 Definitions and reconciliations of key figures.

Condensed consolidated statement of comprehensive income

EUR million	IV/2024	IV/2023	2024	2023
Net profit for the year, total Fortum	338	413	1,160	-2,067
Other comprehensive income				
Items that may be reclassified to profit or loss in subsequent periods:				
Cash flow hedges				
Fair value gains/losses ¹⁾	223	-576	516	2,185
Transfers to income statement	25	112	66	150
Transfers to inventory/property, plant and equipment	0	0	-1	-3
Deferred taxes	-49	100	-116	-473
Net investment hedges				
Fair value gains/losses	2	-1	4	-16
Deferred taxes	0	0	-1	3
Exchange differences on translating foreign operations ²⁾	8	-23	13	-43
Share of other comprehensive income of associates and joint ventures	7	-19	1	-17
	216	-407	483	1,788
Items that will not be reclassified to profit or loss in subsequent periods:				
Remeasurement of investments	0	0	1	1
Actuarial gains/losses on defined benefit plans	15	-7	15	-9
Actuarial gains/losses on defined benefit plans in associates and joint ventures	0	-3	0	-3
	15	-10	16	-11
Other comprehensive income/expense from continuing operations, net of deferred taxes	231	-417	499	1,777
Recycling of FX including net investment hedges related to Russia ³⁾	—	—	—	1,940
Other comprehensive income/expense from discontinued operations, net of deferred taxes	—	—	—	-69
Total comprehensive income/expense	570	-4	1,659	1,581
Total comprehensive income/expense for total Fortum attributable to:				
Owners of the parent	575	-7	1,663	1,580
Non-controlling interests	-6	3	-4	1
	570	-4	1,659	1,581

1) Fair valuation of cash flow hedges mainly relates to fair valuation of derivatives, such as futures and forwards, hedging commodity price for future transactions, where hedge accounting is applied. When commodity price is higher (lower) than the hedging price, the impact on equity is negative (positive).

2) Translation differences from translation of foreign entities, mainly SEK, NOK and PLN.

3) The deconsolidation of Russian operations in II/2023 resulted in the recycling of EUR 1.9 billion negative cumulative translation differences from equity to the income statement. The recycling did not have any impact on total equity.

Condensed consolidated balance sheet

EUR million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets		549	643
Property, plant and equipment and right-of-use assets		6,070	6,612
Participations in associates and joint ventures		1,260	1,059
Share in the State Nuclear Waste Management Fund	13	1,117	1,058
Other non-current assets		238	201
Deferred tax assets		845	958
Derivative financial instruments	5	266	216
Long-term interest-bearing receivables	11	431	644
Total non-current assets		10,777	11,392
Current assets			
Inventories		420	452
Derivative financial instruments	5	379	389
Short-term interest-bearing receivables	11	283	389
Income tax receivables		101	59
Margin receivables	12	205	590
Trade and other receivables		1,007	1,286
Liquid funds	12	4,136	4,183
Total current assets		6,530	7,347
Total assets		17,307	18,739
EQUITY			
Equity attributable to owners of the parent			
Share capital		3,046	3,046
Share premium		73	73
Retained earnings		5,770	5,592
Other equity components		186	-273
Total		9,074	8,438
Non-controlling interests		79	60
Total equity		9,154	8,499
LIABILITIES			
Non-current liabilities			
Interest-bearing liabilities	12	4,336	4,573
Derivative financial instruments	5	221	216
Deferred tax liabilities		386	428
Nuclear provisions	13	1,117	1,058
Other provisions		81	125
Pension obligations, net		12	10
Other non-current liabilities		123	122
Total non-current liabilities		6,276	6,532
Current liabilities			
Interest-bearing liabilities	12	492	1,337
Derivative financial instruments	5	333	1,057
Other provisions		3	2
Margin liabilities	12	93	131
Trade and other payables		956	1,181
Total current liabilities		1,877	3,708
Total liabilities		8,153	10,240
Total equity and liabilities		17,307	18,739

Condensed consolidated statement of changes in total equity

EUR million	Share capital	Share premium	Retained earnings		Other equity components			Owners of the parent	Non-controlling interests	Total equity
			Retained earnings	Translation of foreign operations	Cash flow hedges	Other OCI items	OCI items associates and joint ventures			
Total equity 1 January 2024	3,046	73	6,618	-1,026	-337	-14	79	8,438	60	8,499
Net profit, total Fortum			1,164					1,164	-4	1,160
Translation differences				15	-1	0	-2	13	0	13
Other comprehensive income					466	19	1	486	0	486
Total comprehensive income for the period			1,164	15	465	19	0	1,663	-4	1,659
Cash dividend			-1,032					-1,032	0	-1,032
Deconsolidation of subsidiary companies								0	-2	-2
Transactions with non-controlling interests								0	25	25
Other ¹⁾			30				-25	5	0	5
Total equity 31 December 2024	3,046	73	6,780	-1,010	127	5	53	9,074	79	9,154
Total equity 1 January 2023	3,046	73	9,499	-3,031	-2,182	172	93	7,670	67	7,737
Net profit, total Fortum ²⁾			-2,069					-2,069	2	-2,067
Translation differences				-36	-6	0	0	-43	0	-43
Translation differences, recycled to Income statement				2,106		-166		1,940		1,940
Other comprehensive income					1,860	-21	-19	1,820	0	1,820
OCI related to discontinued operations				-63	-9	0	5	-68	-2	-69
Total comprehensive income for the period			-2,069	2,006	1,844	-186	-14	1,580	1	1,581
Cash dividend			-817					-817	0	-817
Deconsolidation of subsidiary companies								0	-22	-22
Transactions with non-controlling interests								0	15	15
Other			5				0	5	0	5
Total equity 31 December 2023	3,046	73	6,618	-1,026	-337	-14	79	8,438	60	8,499

1) Including a restatement related to the hedge accounting of interest rate derivatives hedging the interest of the subordinated loans in Fortum's joint venture Teollisuuden Voima Oyj (TVO).

2) Of which EUR -1,940 million is related to the recycling of the negative cumulative translation differences and related net investment hedges from Russian operations, to the income statement.

Translation differences

Translation of financial information from subsidiaries in foreign currency is done using the average rate for the income statement and the end rate for the balance sheet. The exchange rate differences arising from translation to EUR are recognised in equity (mainly from SEK, NOK and PLN).

For information regarding exchange rates used, see Note 1.5 Key exchange rates used in consolidated financial statements.

Equity impact from recycling of cumulative translation difference and related hedges relating to Russia in 2023

The deconsolidation of Russian operations in II/2023 resulted in the recycling of EUR 1.9 billion negative cumulative translation differences from translation of foreign operations from equity to the income statement. The recycling did not have any impact on total equity. The cumulative translation differences were due to the significant weakening of the Russian rouble since the acquisition of the Russian operations in 2008.

EUR million	Retained earnings	Translation of foreign operations	Other OCI items	Owners of the parent
Impact included in Net profit 2023	-1,940			-1,940
Impact to other equity items		2,106	-166	1,940
Total equity impact 2023	-1,940	2,106	-166	0

Cash flow hedges

The impact on equity attributable to owners of the parent from fair valuation of cash flow hedges mainly relates to fair valuation of commodity derivatives, such as futures and forwards, hedging commodity sales price of future transactions, where hedge accounting is applied. When commodity market price is higher (lower) than the hedging price, the impact on equity is negative (positive).

Cash dividends

A dividend for 2023 of EUR 1.15 per share, amounting to a total of EUR 1,032 million, was decided in the Annual General Meeting on 25 March 2024. The dividend was paid in two instalments. The first dividend instalment of EUR 0.58 per share was paid on 5 April 2024, amounting to a total of EUR 520 million. The second dividend instalment of EUR 0.57 per share was paid on 9 October 2024, amounting to a total of EUR 511 million.

A dividend for 2022 of EUR 0.91 per share, amounting to a total of EUR 817 million, was decided in the Annual General Meeting on 13 April 2023. The dividend was paid in two instalments. See also note 10 Dividend per share.

Comparable non-controlling interests

EUR million	IV/2024	IV/2023	2024	2023
Non-controlling interests	6	-3	4	-1
Adjustments to non-controlling interests	-2	4	3	5
Comparable non-controlling interests	4	2	7	4

Condensed consolidated cash flow statement

EUR million	Note	IV/2024	IV/2023	2024	2023
Cash flow from operating activities					
Net profit from continuing operations		338	413	1,160	1,515
Adjustments:					
Income tax expense		49	76	239	69
Finance costs - net		-35	-24	-55	138
Share of profit/loss of associates and joint ventures	7	38	-89	-19	-59
Depreciation and amortisation	3	98	101	379	359
Operating profit before depreciations (EBITDA)		488	477	1,704	2,021
Items affecting comparability	3, 4	-133	-18	-147	-118
Comparable EBITDA		355	459	1,556	1,903
Non-cash and other items		18	25	-89	129
Interest received		75	44	236	153
Interest paid		-39	-44	-225	-228
Dividends received		4	6	14	16
Income taxes paid		-67	-41	-196	-454
Funds from operations		346	449	1,297	1,519
Change in working capital		-178	-300	95	191
Net cash from operating activities, continuing operations		167	149	1,392	1,710
Cash flow from investing activities, continuing operations					
Capital expenditures	3	-121	-130	-472	-576
Acquisitions of shares	6	-12	-10	-33	-53
Proceeds from sales of property, plant and equipment		0	10	3	12
Divestments of shares and capital returns	6	758	0	764	5
Shareholder loans to associated companies and joint ventures	11	26	-9	-26	-30
Change in margin receivables		64	87	386	2,024
Change in other interest-bearing receivables	11	-2	-5	-19	52
Net cash from/used in investing activities, continuing operations		714	-58	604	1,433
Cash flow before financing activities, continuing operations		881	91	1,995	3,143
Cash flow from financing activities, continuing operations					
Proceeds from long-term liabilities	12	0	8	5	1,755
Payments of long-term liabilities ¹⁾	12	-515	-12	-944	-1,620
Change in short-term liabilities	12	-7	-78	-37	-1,757
Dividends paid to the owners of the parent	10	-511	-404	-1,032	-817
Change in margin liabilities		29	18	-38	-221
Other financing items		2	5	2	19
Net cash from/used in financing activities, continuing operations		-1,003	-463	-2,043	-2,640
Net increase(+)/decrease(-) in liquid funds, continuing operations		-122	-372	-47	503
Cash flow from discontinued operations					
Net cash from/used in operating activities, discontinued operations		—	—	—	109
Net cash from/used in investing activities, discontinued operations ²⁾		—	—	—	-333
Net cash from/used in financing activities, discontinued operations		—	—	—	21
Net increase(+)/decrease(-) in liquid funds, discontinued operations	6.3	—	—	—	-202
Cash flow, total Fortum					
Total net cash from/used in operating activities		167	149	1,392	1,819
Total net cash from/used in investing activities		714	-58	604	1,095
Total net cash from/used in financing activities		-1,003	-463	-2,043	-2,614
Net increase(+)/decrease(-) in liquid funds, total Fortum		-122	-372	-47	301
Liquid funds at the beginning of the period	12	4,255	4,552	4,183	3,919
Foreign exchange differences and expected credit loss allowance in liquid funds		2	2	0	-36
Liquid funds at the end of the period	12	4,136	4,183	4,136	4,183

- 1) The green loan of EUR 300 million under the Green Finance Framework partly refinanced EUR 700 million bank loan and was netted without cash payments. Loan was partly prepaid and EUR 400 million is impacting the cash flow in 2024.
- 2) Cash flow from investing activities for discontinued operations in 2023 includes Russia related cash flows from I/2023 netted with liquid funds of EUR 284 million lost through the seizure of the Russian assets.

Additional cash flow information

Non-cash and other items

Non-cash and other items EUR -89 million in 2024 (2023: 129) mainly relate to realised foreign exchange gains and losses EUR -78 million (2023: 186) and change in liability to return emission rights EUR -8 million (2023: -32) offset by EUR 58 million income from a settlement of a commercial dispute. In I/2023 non-cash and other items included also paid commitment fee for Solidium bridge loan facility EUR -39 million.

Change in working capital

EUR million	IV/2024	IV/2023	2024	2023
Change in interest-free receivables, decrease(+)/increase(-)	-333	-429	243	348
Change in inventories, decrease(+)/increase(-)	-71	-124	-17	-14
Change in interest-free liabilities, decrease(-)/increase(+)	225	252	-131	-143
Total	-178	-300	95	191

Capital expenditure in cash flow

EUR million	IV/2024	IV/2023	2024	2023
Capital expenditure	142	159	483	611
Change in not yet paid investments, decrease(+)/increase(-)	-20	-24	-2	-16
Capitalised borrowing costs	-2	-5	-10	-20
Total	121	130	472	576

Acquisition of shares in cash flow

Acquisition of shares, net of cash acquired, amounted to EUR 33 million during 2024 (2023: 53). In III/2023 Fortum acquired the Swedish electricity solutions provider Telge Energi AB. For further information, see Note 6.1 Acquisitions.

Divestment of shares in cash flow

EUR million	IV/2024	IV/2023	2024	2023
Proceeds from sales of subsidiaries, net of cash disposed	720	0	726	1
Proceeds from sales and capital returns of associates and joint ventures	38	0	38	0
Proceeds from sales of other investments	0	0	0	3
Total	758	0	764	5

In IV/2024, Fortum completed the divestment of its recycling and waste business to Summa Equity. The net cash flow received from the transaction was approximately EUR 720 million. In II/2024 Fortum concluded the sale of the remaining 43.75% share of its 185 MW Indian solar power portfolio. The total proceeds of EUR 33 million was received in IV/2024. See more information in Note 6 Acquisitions, disposals and discontinued operations.

Change in financial net debt

EUR million	Note	2024	2023
Financial net debt, beginning of the period		942	1,084
Russia impact on Financial net debt, beginning of the period		—	43
Financial net debt excl. Russia, beginning of the period		942	1,127
Net cash flow:			
Comparable EBITDA		1,556	1,903
Non-cash and other items		-89	129
Paid net financial costs and dividends received		25	-59
Income taxes paid		-196	-454
Change in working capital		95	191
Capital expenditures		-472	-576
Acquisitions		-33	-53
Divestments and proceeds from sale of property, plant and equipment		767	17
Change in interest-bearing receivables		-44	22
Dividends to the owners of the parent		-1,032	-817
Other financing activities		2	19
Net cash flow, continuing operations ('-' increase in financial net debt)		580	322
Foreign exchange rate differences and other changes		5	137
Financial net debt, end of the period	12	367	942

Capital risk management

At the beginning of February 2024, the Fortum Board of Directors resolved on clarifications to Fortum's strategy.

Fortum's long-term financial targets are:

- To ensure a credit rating of at least BBB, Financial net debt-to-Comparable EBITDA can be a maximum of 2.0–2.5 times.
- For the period of 2025–2027, Fortum's capital expenditure is expected to be approximately EUR 1.4 billion (excluding acquisition) of which annual growth capital expenditure is expected to be EUR 150–300 million and annual maintenance capital expenditure EUR 250 million.
- To ensure required returns for any potential new investments, Fortum continues to be selective and applies earlier set investment criteria; project based WACC + 150–400 investment hurdles depending on technology or investment project, as well as environmental targets.
- Fortum's dividend policy - a payout ratio of 60–90% of comparable EPS. The payout ratio will be used so that the upper end of the range of the pay-out ratio is applied in situations with a strong balance sheet and low investments, while the lower end of the range would be applied with high leverage and/or significant investments and high capital expenditure.

On 2 November 2023, Fortum initiated an efficiency programme targeting to reduce annual fixed costs by EUR 100 million gradually until the end of 2025.

Comparable EBITDA is defined as an alternative performance measure and used as a component in the capital structure target 'Financial net debt-to-Comparable EBITDA'.

On 25 March 2024, S&P Global Ratings (S&P) upgraded Fortum's current long-term credit rating to BBB+ with Stable Outlook. The previous rating was BBB with Stable Outlook.

On 18 March 2024, Fitch Ratings (Fitch) affirmed Fortum's current long-term credit rating at BBB with stable outlook.

Financial net debt/comparable EBITDA

EUR million	Note	2024	2023
+ Interest-bearing liabilities		4,828	5,909
- Liquid funds		4,136	4,183
- Collateral arrangement		213	325
- Margin receivables		205	590
+ Margin liabilities		93	131
+/- Net margin liabilities/receivables		-111	-459
Financial net debt	12	367	942
Operating profit		1,325	1,662
+ Depreciation and amortisation		379	359
EBITDA		1,704	2,021
- Items affecting comparability		-147	-118
Comparable EBITDA from continuing operations		1,556	1,903
Financial net debt/comparable EBITDA		0.2	0.5

Key figures

Continuing operations

EUR million or as indicated	IV/2024	IV/2023	2024	2023
Reported				
Sales	1,435	1,858	5,800	6,711
Operating profit	390	376	1,325	1,662
Share of profit of associates and joint ventures	-38	89	19	59
Net profit	338	413	1,160	1,515
Net profit (after non-controlling interests)	344	410	1,164	1,514
Earnings per share, EUR	0.39	0.45	1.30	1.68
Net cash from operating activities	167	149	1,392	1,710
Capital expenditure and gross investments in shares	154	169	516	664
Capital expenditure	142	159	483	611

EUR million or as indicated	IV/2024	IV/2023	2024	2023
Comparable				
EBITDA	355	459	1,556	1,903
Operating profit	257	359	1,178	1,544
Share of profit of associates and joint ventures	-35	31	-30	7
Net profit (after non-controlling interests)	169	317	900	1,150
Earnings per share, EUR	0.18	0.35	1.00	1.28

EUR million or as indicated	2024	2023
Financial position		
Financial net debt (at period-end)	367	942
Financial net debt/comparable EBITDA	0.2	0.5

EUR or as indicated	31 Dec 2024	31 Dec 2023
Equity per share, EUR	10.11	9.40
Average number of shares, 1,000 shares	897,264	897,264
Diluted adjusted average number of shares, 1,000 shares	897,264	897,264
Number of registered shares, 1,000 shares	897,264	897,264

Continuing and discontinued operations (total)

Fortum's condensed consolidated income statement and consolidated cash flow statement include the Russia segment as discontinued operations in 2023. For further information, see Note 1 Significant accounting policies and Note 6 Acquisitions, disposals and discontinued operations.

EUR million or as indicated	IV/2024	IV/2023	2024	2023
Reported				
Net profit (after non-controlling interests)	344	410	1,164	-2,069
Earnings per share, EUR	0.39	0.45	1.30	-2.31
Net cash from operating activities	167	149	1,392	1,819
Number of employees			4,466	5,225
Comparable				
Net profit (after non-controlling interests)	169	317	900	1,184
Earnings per share, EUR	0.18	0.35	1.00	1.32

Notes to the condensed consolidated interim financial statements

1 Significant accounting policies

1.1 Basis of preparation

The unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the EU. The condensed interim financial report should be read in conjunction with the consolidated financial statements for the year ended 31 December 2023.

The figures in the consolidated interim financial statements have been rounded and consequently the sum of individual figures may deviate from the sum presented. Key figures have been calculated using exact figures.

1.2 Discontinued operations – Russian operations in 2023

Control over Fortum's Russian operations was lost on 25 April 2023 following the Russian Presidential decree No. 302, which enabled the authorities to introduce temporary asset management to assets owned by certain foreign entities in Russia, and the subsequent nomination of the new external CEO to PAO Fortum. Consequently, in II/2023 Fortum's Russia segment was deconsolidated, and classified as discontinued operations as required by IFRS 5 Non-current assets held for sale and discontinued operations. Fortum has not had access to financial or non-financial information from the Russia segment since the first quarter 2023 reporting, and therefore information for the deconsolidation was based on the 31 March 2023 balance sheet.

The deconsolidation in II/2023 resulted in EUR 3.6 billion one-time, non-cash negative effect. The amount consisted of the full write-down of the Russian assets of EUR 1.7 billion, and EUR 1.9 billion negative cumulative translation differences previously recognised in equity. These cumulative translation differences were recycled from equity to profit and loss on deconsolidation according to IFRS. The recycling did not have any impact on total equity.

1.3 Alternative performance measures

According to the ESMA Guidelines on Alternative Performance Measures, an Alternative Performance Measure (APM) is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Fortum uses APMs, such as Comparable operating profit and Comparable EBITDA, in the financial target setting and forecasting, management's follow-up of financial performance of segments and the Group, as well as for the allocation of resources in the Group's performance management process. Items affecting comparability are excluded from Comparable operating profit and Comparable EBITDA and disclosed separately in Fortum's consolidated income statement to support the transparency of underlying business performance when comparing results between periods.

Fortum's long-term financial target for capital structure measure is Financial net debt to comparable EBITDA (see Capital risk management and Note 19 Definitions and reconciliations of key figures).

Following the deconsolidation of Russia in II/2023, additional APMs excluding Russia are no longer presented.

See also Note 4 Comparable operating profit and comparable net profit and Note 19 Definitions and reconciliations of key figures.

1.4 Accounting policies

The same accounting policies that were applied in the preparation of the consolidated financial statements for the year ended 31 December 2023, have been applied in these condensed interim financial statements.

New standards, amendments and interpretations effective from 1 January 2024 have not had a material impact on Fortum's consolidated financial statements.

Pillar Two legislation was enacted in Finland from 1 January 2024. Fortum has assessed its exposure to the global minimum tax under Pillar Two rules. According to Fortum's assessment there is no material impact from Pillar Two in 2024.

1.5 Key exchange rates used in consolidated financial statements

The balance sheet date rate is based on the exchange rate published by the European Central Bank for the closing date. The average exchange rate is calculated as an average of daily closing rates from the European Central Bank.

Key exchange rates used in consolidated financial statements:

Average rate	Jan–Dec 2024	Jan–Sep 2024	Jan–Jun 2024	Jan–Mar 2024	Jan–Dec 2023	Jan–Sep 2023	Jan–Jun 2023	Jan–Mar 2023
Norway (NOK)	11.6290	11.5854	11.4926	11.4159	11.4248	11.3483	11.3195	10.9901
Poland (PLN)	4.3058	4.3053	4.3169	4.3333	4.5420	4.5820	4.6244	4.7081
Sweden (SEK)	11.4325	11.4120	11.3914	11.2792	11.4788	11.4789	11.3329	11.2030

Balance sheet date rate	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
Norway (NOK)	11.7950	11.7645	11.3965	11.6990	11.2405	11.2535	11.7040	11.3940
Poland (PLN)	4.2750	4.2788	4.3090	4.3123	4.3395	4.6283	4.4388	4.6700
Sweden (SEK)	11.4590	11.3000	11.3595	11.5250	11.0960	11.5325	11.8055	11.2805

2 Critical accounting estimates and judgements

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these interim financial statements, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

3 Segment information

Fortum's reportable segments under IFRS are:

- The Generation segment, which includes Hydro Generation, Nuclear Generation, Corporate Customers and Markets, and Renewables and Decarbonisation business units.
- The Consumer Solutions segment, which consists of the Consumer Solutions business unit.
- The Other Operations segment, which includes the Circular Solutions business unit, Innovation and Venturing activities, enabling functions and corporate management.

Quarter

		Generation ¹⁾		Consumer Solutions		Other Operations		Total Continuing Operations	
EUR million	Note	IV/2024	IV/2023	IV/2024	IV/2023	IV/2024	IV/2023	IV/2024	IV/2023
Income statement data by segment									
Power sales		756	1,164	759	922	1	2	1,516	2,088
Heat sales		166	162	0	0	6	13	172	175
Gas sales		0	0	66	114	0	0	66	114
Waste treatment sales		4	2	0	0	47	63	51	65
Other sales ³⁾		16	11	-34	33	88	69	70	113
Sales		942	1,339	792	1,069	141	147	1,875	2,555
Internal eliminations		-82	-58	-2	-3	-46	-24	-131	-85
Netting of Nord Pool transactions ²⁾								-309	-612
External sales		860	1,281	790	1,066	95	123	1,435	1,858
Comparable EBITDA		319	452	41	30	-5	-23	355	459
Depreciation and amortisation		-55	-62	-24	-18	-19	-20	-98	-101
Comparable operating profit		265	390	16	12	-24	-43	257	359
Impairment charges and reversals		0	0	0	0	-15	0	-15	0
Capital gains and other related items	6	0	1	0	1	176	0	176	2
Changes in fair values of derivatives hedging future cash flow		-81	-25	11	46	0	0	-69	21
Other		-7	4	0	0	49	-9	42	-5
Items affecting comparability	4	-88	-21	11	47	210	-9	133	18
Operating profit		177	370	28	59	186	-52	390	376
Comparable share of profit of associates and joint ventures	4, 7	-35	31	0	0	0	-1	-35	31
Share of profit of associates and joint ventures	7	-38	89	0	0	0	-1	-38	89
Gross investments / divestments by segment									
Gross investments in shares	6	0	1	0	-1	12	10	12	10
Capital expenditure		105	112	18	22	19	25	142	159
Gross divestments of shares	6	1	0	0	0	745	0	746	

1) Power sales, both internal and external, include effects from realised hedging contracts. Effect on sales can be negative or positive depending on the difference between average contract price and realised spot price. Power sales contains realised result from commodity derivatives, which have not had hedge accounting status under IFRS 9, but have been considered operatively as hedges. Power sales also include sale of renewable energy certificates EUR 23 million (IV/2023: 23)

2) Sales and purchases with Nord Pool Spot are netted on Group level on an hourly basis and posted either as revenue or cost depending on if Fortum is a net seller or net buyer during any particular hour.

3) Sales in the fourth quarter include a one-off cumulative adjustment between power sales and other sales in Consumer Solutions -segment.

Year-to-date

		Generation ¹⁾		Consumer Solutions		Other Operations		Total Continuing Operations	
EUR million	Note	2024	2023	2024	2023	2024	2023	2024	2023
Income statement data by segment									
Power sales		3,234	3,889	2,635	3,219	5	9	5,873	7,117
Heat sales		502	481	0	0	25	31	527	512
Gas sales		0	0	386	422	0	0	386	422
Waste treatment sales		11	7	0	0	212	226	223	234
Other sales		48	43	53	125	355	281	456	450
Sales		3,795	4,420	3,073	3,766	596	548	7,464	8,734
Internal eliminations		-307	-394	-5	-20	-157	-99	-469	-514
Netting of Nord Pool transactions ²⁾								-1,196	-1,510
External sales		3,488	4,026	3,068	3,745	439	449	5,800	6,711
Comparable EBITDA		1,421	1,874	161	108	-26	-80	1,556	1,903
Depreciation and amortisation		-204	-195	-85	-70	-90	-93	-379	-359
Comparable operating profit		1,218	1,679	76	38	-116	-173	1,178	1,544
Impairment charges and reversals		0	0	0	0	-17	0	-17	0
Capital gains and other related items	6	0	2	0	1	183	1	183	4
Changes in fair values of derivatives hedging future cash flow		-107	366	46	-254	0	0	-61	111
Other		-7	12	0	0	50	-9	43	3
Items affecting comparability	4	-115	380	46	-253	216	-8	147	118
Operating profit		1,103	2,058	122	-215	100	-181	1,325	1,662
Comparable share of profit of associates and joint ventures	4, 7	-26	7	0	0	-3	0	-30	7
Share of profit of associates and joint ventures	7	22	59	0	0	-3	0	19	59
Gross investments / divestments by segment									
Gross investments in shares	6	0	5	0	22	33	26	33	53
Capital expenditure		355	450	71	81	57	81	483	611
Gross divestments of shares	6	34	0	0	0	751	4	785	4

1) Power sales, both internal and external, include effects from realised hedging contracts. Effect on sales can be negative or positive depending on the difference between average contract price and realised spot price. Power sales contains realised result from commodity derivatives, which have not had hedge accounting status under IFRS 9, but have been considered operatively as hedges. Power sales also include sale of renewable energy certificates EUR 149 million (2023: 97)

2) Sales and purchases with Nord Pool Spot are netted on Group level on an hourly basis and posted either as revenue or cost depending on if Fortum is a net seller or net buyer during any particular hour.

Segment assets and liabilities

EUR million	Note	Generation		Consumer Solutions		Other Operations		Total	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Non-interest-bearing assets		7,000	6,864	1,061	1,311	302	1,094	8,362	9,269
Participations in associates and joint ventures		1,189	1,000	1	0	71	59	1,260	1,059
Eliminations								-126	-105
Total segment assets		8,188	7,864	1,061	1,311	373	1,153	9,496	10,223
Interest-bearing receivables	11							714	1,033
Deferred tax assets								845	958
Other assets								2,116	2,342
Liquid funds								4,136	4,183
Total assets								17,307	18,739
Segment liabilities		581	601	337	472	151	313	1,068	1,387
Eliminations								-126	-105
Total segment liabilities								942	1,282
Deferred tax liabilities								386	428
Other liabilities								1,998	2,621
Total liabilities included in capital employed								3,325	4,331
Interest-bearing liabilities	12							4,828	5,909
Total equity								9,154	8,499
Total equity and liabilities								17,307	18,739
Number of employees		2,053	1,758	1,118	1,281	1,295	2,186	4,466	5,225

Comparable operating profit including comparable share of profits of associates and joint ventures and Comparable return on net assets

EUR million	Note	Generation		Consumer Solutions	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Comparable operating profit		1,218	1,679	76	38
Comparable share of profit of associates and joint ventures	4, 7	-26	7	0	0
Comparable operating profit including comparable share of profit/loss of associates and joint ventures		1,191	1,686	76	38
Segment assets at the end of the period		8,188	7,864	1,061	1,311
Segment liabilities at the end of the period		581	601	337	472
Comparable net assets		7,608	7,263	725	838
Comparable net assets average ¹⁾		7,425	6,959	683	847
Comparable return on net assets, %		16.0	24.2	11.2	4.5

1) Average net assets are calculated using the opening balance of the financial year and each quarter's closing value.

4 Comparable operating profit and comparable net profit

4.1 Reconciliation of operating profit to comparable operating profit

Quarter

EUR million	Unadjusted		Impairment charges and reversals		Capital gains and other related items		Changes in fair values of derivatives hedging future cash flow		Other		Reported	
	IV/2024	IV/2023	IV/2024	IV/2023	IV/2024	IV/2023	IV/2024	IV/2023	IV/2024	IV/2023	IV/2024	IV/2023
Sales	1,376	1,862	0	0	0	0	59	-4	0	0	1,435	1,858
Other income	222	-17	0	0	-176	-2	22	29	-58	0	10	10
Materials and services	-941	-1,039	0	0	0	0	114	-64	6	-4	-821	-1,106
Employee benefits	-129	-120	0	0	0	0	0	0	0	0	-129	-120
Depreciation and amortisation	-113	-101	15	0	0	0	0	0	0	0	-98	-101
Other expenses	-25	-209	0	0	0	0	-125	18	10	9	-141	-182
Comparable operating profit			15	0	-176	-2	69	-21	-42	5	257	359
Items affecting comparability			-15	0	176	2	-69	21	42	-5	133	18
Operating profit	390	376									390	376

Year-to-date

EUR million	Unadjusted		Impairment charges and reversals		Capital gains and other related items		Changes in fair values of derivatives hedging future cash flow		Other		Reported	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Sales	5,742	6,716	0	0	0	0	58	-5	0	0	5,800	6,711
Other income	240	397	0	0	-183	-4	49	-361	-58	0	48	32
Materials and services	-3,289	-3,606	0	0	0	0	-12	-190	6	-12	-3,295	-3,808
Employee benefits	-485	-436	0	0	0	0	0	0	0	0	-485	-436
Depreciation and amortisation	-396	-359	17	0	0	0	0	0	0	0	-379	-359
Other expenses	-486	-1,049	0	0	0	0	-34	444	9	9	-511	-595
Comparable operating profit			17	0	-183	-4	61	-111	-43	-3	1,178	1,544
Items affecting comparability			-17	0	183	4	-61	111	43	3	147	118
Operating profit	1,325	1,662									1,325	1,662

Impairment charges and reversals

Impairment charges are adjusted from depreciation and amortisation and presented in items affecting comparability.

Capital gains and other related items

Capital gains and transaction costs from acquisitions are adjusted from other income and other expenses and presented in items affecting comparability. In 2024 capital gains and other related items amounted to EUR 183 million, including a tax-exempt capital gain of EUR 176 million from the divestment of the recycling and waste business.

Changes in fair values of derivatives hedging future cash flow

Fair value changes of derivatives to which hedge accounting is not applied and which hedge future cash flows are adjusted from other income and other expenses and presented in items affecting comparability. Impacts from settlement of physical contracts that have been treated as derivatives are adjusted from other income and other expenses to sales and materials and services to reflect the contract pricing as opposed to market pricing.

Other

Restructuring and cost management expenses, and other miscellaneous non-operating items are adjusted mainly from materials and services or other expenses. In 2024, 'Other' includes EUR 58 million income from a settlement of a commercial dispute. Related interest income of EUR 13 million is included in 'Finance costs - net'.

4.2 Reconciliation from operating profit to comparable net profit

Comparable net profit and comparable earnings per share

EUR million	Note	IV/2024	IV/2023	2024	2023
Comparable operating profit		257	359	1,178	1,544
Comparable share of profit/loss of associates and joint ventures	7	-35	31	-30	7
Comparable finance costs - net	8	-14	-7	-36	-137
Comparable profit before income tax		207	383	1,112	1,415
Comparable income tax expense	9	-43	-67	-219	-269
Comparable non-controlling interests		4	2	7	4
Comparable net profit from continuing operations		169	317	900	1,150
Comparable net profit from discontinued operations	6.3	—	—	—	34
Comparable net profit, total Fortum		169	317	900	1,184
Comparable earnings per share, continuing operations EUR	19	0.18	0.35	1.00	1.28
Comparable earnings per share, discontinued operations EUR	19	—	—	—	0.04
Comparable earnings per share, total Fortum, EUR	19	0.18	0.35	1.00	1.32

Reconciliation from net profit to comparable net profit

EUR million	Note	IV/2024	IV/2023	2024	2023
Net profit		338	413	1,160	1,515
- Items affecting comparability		-133	-18	-147	-118
- Adjustments to share of profit/loss of associates and joint ventures	7	3	-58	-49	-52
- Adjustments to finance costs - net	8	-50	-30	-91	2
- Adjustments to income tax expenses	9	7	8	20	-201
- Non-controlling interests		6	-3	4	-1
- Adjustments to non-controlling interests		-2	4	3	5
Comparable net profit from continuing operations		169	317	900	1,150
Comparable net profit from discontinued operations	6.3	—	—	—	34
Comparable net profit, total Fortum		169	317	900	1,184

Comparable share of profit/loss of associates and joint ventures

Share of profit/loss of associates and joint ventures is adjusted for significant items, similar to adjustments made to arriving at comparable net profit.

Comparable finance costs - net

Finance costs – net are adjusted for e.g. nuclear-related items recognised in other financial items - net, fair value changes on financial items, as well as impairment charges and reversals of previously recorded impairment charges on financial items and other one-time adjustments. In 2024, nuclear-related items adjusted to finance costs - net totalled EUR -86 million, see Note 8 Finance costs – net.

Comparable income tax expense

Income tax expense is adjusted for tax impacts on items affecting comparability, adjustments to finance costs – net, tax rate changes and other one-time adjustments. In 2023, adjustments to income tax expense included EUR 225 million relating to one-time tax impacts mainly recognised in Ireland and in the Netherlands, due to the impairment of the Russian assets. See Note 9 Income taxes.

Comparable non-controlling interests

Non-controlling interests are adjusted for impacts relating to the non-controlling interests on items affecting comparability, adjustments to share of profit/loss of associates and joint ventures, adjustments to finance costs – net and adjustments to income tax expense. See Condensed consolidated statement of changes in total equity.

See Note 19 Definitions and reconciliations of key figures.

5 Financial risk management

See Fortum Group's consolidated financial statements for the year ended 31 December 2023 for financial risk management objectives and policies, as well as accounting policies in Note 15 Financial assets and liabilities by fair value hierarchy.

Fair value hierarchy information

Financial instruments that are measured in the balance sheet at fair value are presented according to following fair value measurement hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: inputs for the asset or liability that is not based on observable market data (unobservable inputs).

Financial assets

EUR million	Level 1		Level 2		Level 3		Netting ¹⁾		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
In non-current assets										
Other investments ²⁾					139	123			139	123
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	3	0	76	59	0	0	0	0	79	59
Non-hedge accounting	6	10	57	14	21	20	0	-1	83	42
Interest rate and currency derivatives										
Hedge accounting			100	113					100	113
Non-hedge accounting			5	2					5	2
Total in non-current assets	9	10	237	188	159	143	0	-1	405	339
In current assets										
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	198	200	184	160	0	0	-117	-110	264	251
Non-hedge accounting	199	408	90	33	0	4	-205	-320	85	124
Interest rate and currency derivatives										
Hedge accounting			4	7					4	7
Non-hedge accounting			26	7					26	7
Interest-bearing receivables ³⁾	213	325			0	0			213	325
Total in current assets	610	933	304	206	0	4	-322	-430	592	714
Total in assets	619	943	541	394	159	147	-322	-431	997	1,053

1) Receivables and liabilities from electricity and other commodity standard derivative contracts against exchanges with same delivery period are netted.

2) Other investments includes shares in unlisted companies.

3) Interest-bearing receivables, Level 1, include collateral arrangement covering margin requirement. See also Note 11 Interest-bearing receivables and Note 12 Interest-bearing net debt.

Financial liabilities

EUR million	Level 1		Level 2		Level 3		Netting ¹⁾		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
In non-current liabilities										
Interest-bearing liabilities ²⁾			990	973					990	973
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	2	14	59	58	0	0	0	0	61	73
Non-hedge accounting	42	11	51	30	11	9	0	-1	104	49
Interest rate and currency derivatives										
Hedge accounting			56	93					56	93
Non-hedge accounting			0	2					0	2
Total in non-current liabilities	44	26	1,156	1,156	11	9	0	-1	1,211	1,189
In current liabilities										
Interest-bearing liabilities			275	376					275	376
Derivative financial instruments										
Commodity derivatives										
Hedge accounting	187	606	93	264	0	0	-117	-110	163	761
Non-hedge accounting	245	238	92	138	6	2	-205	-320	137	58
Interest rate and currency derivatives										
Hedge accounting			11	6					11	6
Non-hedge accounting			22	232					22	232
Total in current liabilities	432	844	492	1,016	6	2	-322	-430	608	1,432
Total in liabilities	476	870	1,649	2,172	17	11	-322	-431	1,820	2,621

1) Receivables and liabilities from standard electricity and other commodity derivative contracts against exchanges with same delivery period are netted.

2) Fair valued part of bonds when hedge accounting is applied (fair value hedge).

At the end of December 2024, the net fair value of commodity derivatives was EUR 46 million, including assets of EUR 511 million and liabilities of EUR 465 million (31 Dec 2023: EUR -464 million including assets of EUR 476 million and liabilities of EUR 940 million). The change from December 2023 mainly relates to impacts from decreased commodity market prices and maturity of contracts.

Net fair value amount of interest rate and currency derivatives was EUR 45 million, including assets of EUR 134 million and liabilities of EUR 89 million. Fortum has cash collaterals based on collateral agreements with some counterparties. At the end of December 2024, Fortum had received EUR 69 million and paid EUR 9 million from foreign exchange and interest rate derivatives under Credit Support Annex agreements.

Regarding derivative financial instruments, see Note 4 Comparable operating profit and comparable net profit. Regarding interest-bearing receivables and liabilities, see Note 11 Interest-bearing receivables, Note 12 Interest-bearing net debt and Note 15 Pledged assets and contingent liabilities.

There were no transfers in or out of levels, 1, 2 and 3. Gains and losses of level 3 items in consolidated income statement are presented mainly in items affecting comparability. See note 4 Comparable operating profit and comparable net profit.

6 Acquisitions, disposals and discontinued operations

6.1 Acquisitions

EUR million	IV/2024	IV/2023	2024	2023
Gross investments in shares in subsidiary companies	0	-1	0	22
Gross investments in shares in associated companies and joint ventures	7	3	19	12
Gross investments in other shares	5	8	14	19
Total	12	10	33	53

There were no material acquisitions in 2024.

On 31 August 2023, Fortum acquired the Swedish electricity solutions provider Telge Energi AB from Telge AB. The total consideration for the entire shareholding in Telge Energi on a cash and debt-free basis was approximately SEK 450 million (EUR 39 million). The purchase price, net of cash acquired and other adjustments, was EUR 22 million. Telge Energi AB is included in the Consumer Solutions segment.

6.2 Disposals

EUR million	IV/2024	IV/2023	2024	2023
Gross divestments of shares in subsidiary companies	741	0	747	1
Gross divestments of shares in associated companies and joint ventures	5	0	38	0
Gross divestments of other investments	0	0	0	3
Total	746	0	785	4

On 31 December 2024, Fortum completed the divestment of its turbine and generator services to industrial technical services provider Elcoline Group Oy. The transaction did not have a material financial impact on Fortum Group's result.

On 29 November 2024, Fortum completed the divestment of its recycling and waste business to Summa Equity. Fortum recorded a tax-exempt capital gain of EUR 176 million. The gain is reported as items affecting comparability in the Other Operations segment's results in the fourth quarter of 2024. The net cash flow received from the transaction was approximately EUR 720 million.

On 23 September 2024, Fortum announced that it had signed an agreement to sell its 37.4% ownership in Chempolis Oy, including all Fortum's biobased solutions businesses, and the shares in the holding company owning 40.3% in Assam Bio Ethanol Pvt Ltd in India to AM Green Technology & Solutions B.V. The transaction did not have any material financial impact on Fortum Group's result.

On 28 June 2024, Fortum concluded the sale of the remaining 43.75% share of its Indian solar power portfolio to Gentari Renewables India Pte. Ltd., a subsidiary of clean energy solutions provider Gentari Sdn. Bhd. The portfolio comprises four solar power plants in India with the total capacity of 185 MW. A tax-exempt capital gain of EUR 16 million was recorded in comparable operating profit in Generation segment's second quarter 2024 results. The total proceeds of EUR 33 million were received during the fourth quarter of 2024.

6.3 Discontinued operations

The Russia segment was classified as discontinued operations in II/2023. See also Note 1 Significant accounting policies. Financial performance and cash flow information for the discontinued operations is presented until 31 March 2023.

Financial performance

The result from discontinued operations is disclosed on one line on the face of the consolidated income statement. The following table presents breakdown of income statement information for discontinued operations. Discontinued operations include the Russia segment in I/2023. The effects of eliminations from internal sales and purchases have been included in the discontinued operations. The net financial costs are based on the historical financial costs in the separate companies.

EUR million	IV/2023	2023
Sales	—	287
Other income	—	6
Materials and services	—	-148
Employee benefits	—	-20
Depreciation and amortisation	—	-23
Other expenses	—	-15
Comparable operating profit	—	86
Deconsolidation effect	—	-3,608
Items affecting comparability	—	0
Operating profit	—	-3,521
Share of profit/loss of associates and joint ventures	—	26
Finance costs - net	—	-88
Profit before income tax	—	-3,584
Income tax expense	—	2
Net profit from discontinued operations	—	-3,582
Attributable to:		
Owners of the parent	—	-3,583
Non-controlling interests	—	1
Earnings per share, discontinued operations, EUR	—	-3.99
Comparable net profit from discontinued operations	—	34
Comparable earnings per share, discontinued operations, EUR	—	0.04

Impact from the deconsolidation

The deconsolidation of Russian operations in II/2023 resulted in EUR 3.6 billion one-time, non-cash negative effect. The amount consists of the full write-down of the Russian assets of EUR 1.7 billion, and EUR 1.9 billion negative cumulative translation differences previously recognised in equity. These cumulative translation differences are recycled from equity to profit and loss on deconsolidation according to IFRS. The recycling did not have any impact on total equity. Fortum has not had access to financial or non-financial information from the Russia segment since the first quarter 2023 reporting, and therefore information for the deconsolidation is based on the 31 March 2023 balance sheet.

EUR million	31 Mar 2023
Net assets deconsolidated	1,685
Items recycled to Income statement	-1,922
Deconsolidation effect (negative)	-3,608

Cash flow information

In the cash flow statement, the net cash flows attributable to the operating, investing and financing activities of the discontinued operations are disclosed separately. The Russian operations were deconsolidated due to loss of control as opposed to sale (see Note 1 Significant accounting policies), i.e. no consideration has been received for the Russian operations. Cash flow from investing activities for discontinued operations in 2023 includes Russia related cash flows from I/2023 netted with liquid funds of EUR 284 million lost through the seizure of the Russian assets.

EUR million	IV/2023	2023
Net cash from/used in operating activities	—	109
Net cash from/used in investing activities	—	-333
Net cash from/used in financing activities	—	21
Total net decrease/increase in liquid funds	—	-202

7 Share of profit/loss of associates and joint ventures

EUR million	IV/2024	IV/2023	2024	2023
Principal associates				
Forsmarks Kraftgrupp AB	-18	27	9	17
Kemijoki Oy	0	0	-2	-1
OKG AB	-51	32	-17	7
Principal joint ventures				
TVO Oyj	22	29	20	25
Other associates	0	0	3	1
Other joint ventures	8	1	6	9
Share of profit of associates and joint ventures	-38	89	19	59

EUR million	IV/2024	IV/2023	2024	2023
Share of profit of associates and joint ventures	-38	89	19	59
Adjustments to share of profit of associates and joint ventures	3	-58	-49	-52
Comparable share of profit of associates and joint ventures	-35	31	-30	7

8 Finance costs – net

EUR million	IV/2024	IV/2023	2024	2023
Interest expense				
Borrowings	-52	-56	-233	-286
Leasing and other interest expenses	-1	-1	-3	-2
Capitalised borrowing costs	2	5	10	20
Total	-51	-52	-226	-269
Interest income				
Loan receivables and deposits	40	48	189	153
Other interest income ¹⁾	15	3	45	12
Total	55	50	234	165
Other financial items – net				
Return from nuclear fund	48	31	85	31
Nuclear fund adjustment	15	22	40	34
Unwinding of nuclear provisions	-14	-22	-38	-63
Fair value changes, impairments and reversals	-12	-1	-27	-3
Unwinding of discounts on other provisions and pension obligations	1	1	1	0
Other financial expenses and income	-5	-6	-13	-33
Total	32	25	47	-34
Finance costs – net	35	24	55	-138

EUR million	IV/2024	IV/2023	2024	2023
Finance costs – net	35	24	55	-138
Adjustments to finance costs – net				
Return from nuclear fund	-48	-31	-85	-31
Nuclear fund adjustment	-15	-22	-40	-34
Unwinding of nuclear provisions	14	22	38	63
Fair value changes, impairments, reversals and other adjustments ¹⁾	-1	1	-5	3
Comparable finance costs – net	-14	-7	-36	-137

1) Other adjustments in 2024 include EUR 19 million interest income from tax authorities on tax payment and EUR 13 million interest income from a settlement of a commercial dispute. See Note 16 Legal actions and official proceedings.

Interest expenses on borrowings in 2024 totalled EUR 233 million (2023: 286), including interest expenses on loans of EUR 211 million (2023: 246), and EUR 22 million (2023: 40) interest cost – net from derivatives hedging the loan portfolio. In I/2023, interest expenses on loans included EUR 41 million relating to the Finnish State bridge financing.

Interest income on loan receivables and deposits, EUR 189 million in 2024 (2023: 153), includes EUR 162 million (2023: 133) from deposits and cash, and EUR 27 million (2023: 21) interest income from shareholder loan receivables and other loan receivables. Other interest income EUR 45 million (2023: 12) includes EUR 19 million interest income from tax authorities on tax payment, EUR 13 million interest income from a settlement of a commercial dispute and EUR 13 million mainly from commodity trading collaterals.

Return from nuclear fund, nuclear fund adjustment and unwinding of nuclear provisions relate to the Loviisa nuclear power plant.

Other financial expenses and income were EUR -13 million in 2024 (2023: -33). In I/2023, other financial expenses and income included EUR -15 million costs relating to the Finnish State bridge financing.

9 Income taxes

EUR million	IV/2024	IV/2023	2024	2023
Income tax expense	-49	-76	-239	-69
Adjustments to income tax expense	7	8	20	-201
Comparable income tax expense	-43	-67	-219	-269

Income taxes during 2024 totalled EUR -239 million (2023: -69). In 2023, income taxes included EUR 225 million relating to one-time positive tax impacts mainly recognised in Ireland and in the Netherlands, due to the impairment of the Russian assets.

The effective income tax rate according to the income statement was 17.1% (2023: 4.3%). In 2024, Fortum's effective tax rate is mainly impacted by tax exempt capital gains decreasing the rate by 3.2% (2023: 0%). In 2023, the effective tax rate was mainly impacted by the impairment of the Russian assets, decreasing the rate by 14.2%.

The comparable effective income tax rate was 19.1% (2023: 19.1%). Fortum's comparable effective tax rate is impacted by the weight of the taxable profit in different jurisdictions and differences in standard nominal tax rates in these jurisdictions.

On 20 June 2024, the Belgian Supreme Court ruled in favour of Fortum in connection with Fortum's income tax assessment in Belgium for the year 2008. The amount of additional tax claimed for 2008 is EUR 36 million. The tax has been repaid to Fortum in III/2024. For additional information, see Note 16 Legal actions and official proceedings.

According to Fortum's assessment there is no material impact from Pillar Two in 2024. See further information in Note 1.4 Accounting policies.

10 Dividend per share

The Board of Directors proposes that a dividend of EUR 1.40 per share be paid for the financial year 2024. The proposed dividend of EUR 1.40 per share comprises EUR 0.90 which corresponds to 90% payout of the Group's comparable earnings per share (EPS) of EUR 1.00 and EUR 0.50 as a special dividend. Based on the number of shares registered as at 10 February 2025, the total amount of dividend would be EUR 1,256 million. These Financial statements do not reflect this dividend.

A dividend for 2023 of EUR 1.15 per share, amounting to a total of EUR 1,032 million, was decided in the Annual General Meeting on 25 March 2024. The dividend was paid in two instalments. The first dividend instalment of EUR 0.58 per share was paid on 5 April 2024, amounting to a total of EUR 520 million. The second dividend instalment of EUR 0.57 per share was paid on 9 October 2024, amounting to a total of EUR 511 million.

A dividend for 2022 of EUR 0.91 per share, amounting to a total of EUR 817 million, was decided in the Annual General Meeting on 13 April 2023. The dividend was paid in two instalments. The first dividend instalment of EUR 0.46 per share was paid on 24 April 2023, amounting to a total of EUR 413 million. The second dividend instalment of EUR 0.45 per share was paid on 10 October 2023, amounting to a total of EUR 404 million.

11 Interest-bearing receivables

EUR million	31 Dec 2024		31 Dec 2023	
	Carrying amount	Fair value ¹⁾	Carrying amount	Fair value ¹⁾
Long-term loan receivables from associates and joint ventures	431	431	644	670
Total long-term interest-bearing receivables	431	431	644	670
Collateral arrangement	213	213	325	325
Other short-term interest-bearing receivables	70	70	64	64
Total short-term interest-bearing receivables	283	283	389	389
Total	714	714	1,033	1,059

1) Fair values do not include accrued interest.

Long-term interest-bearing receivables from associated companies and joint ventures, EUR 431 million (31 Dec 2023: 644), include EUR 352 million (31 Dec 2023: 546) from Swedish nuclear companies, Forsmarks Kraftgrupp AB and OKG AB, which are mainly funded with shareholder loans, pro rata to each shareholder's ownership. The decrease mainly relates to shareholder loans in Forsmark being converted to equity during I/2024 and thus reclassified to 'Participations in associates and joint ventures'. This conversion did not have any cash flow impact.

For more information on Finnish and Swedish nuclear related receivables, see Note 13 Nuclear-related assets and liabilities.

Other short-term interest-bearing receivables include EUR 62 million (31 Dec 2023: 51) collateral for default fund.

12 Interest-bearing net debt

Financial net debt

EUR million	31 Dec 2024	31 Dec 2023
+ Interest-bearing liabilities	4,828	5,909
- Liquid funds	4,136	4,183
- Collateral arrangement	213	325
- Margin receivables	205	590
+Margin liabilities	93	131
+/- Net margin liabilities/receivables	-111	-459
Financial net debt	367	942

Interest-bearing liabilities, EUR 4,828 million, include Fortum's collateral arrangement to the Nordic Power Exchange totalling EUR 275 million (31 Dec 2023: 376). Equalling amount is included in short-term interest-bearing receivables of which collateral relating to margin requirement, EUR 213 million (31 Dec 2023: 325), is netted from the Financial net debt in the Collateral arrangement row. However, the collateral for default fund, EUR 62 million (31 Dec 2023: 51), is not netted from Financial net debt. See Note 11 Interest-bearing receivables.

Interest-bearing liabilities

EUR million	31 Dec 2024	31 Dec 2023
Non-current loans	4,258	4,475
Current loans	476	1,316
Total loans	4,733	5,791
Non-current lease liabilities	78	97
Current lease liabilities	16	21
Total lease liabilities	94	118
Total	4,828	5,909

Loans

EUR million	31 Dec 2024		31 Dec 2023	
	Carrying amount	Fair value ³⁾	Carrying amount	Fair value ³⁾
Bonds	2,755	2,757	2,736	2,729
Loans from financial institutions	390	396	1,306	1,314
Reborrowing from the Finnish State Nuclear Waste Management Fund ¹⁾	951	953	951	952
Other long-term interest-bearing liabilities	179	179	200	199
Total long-term loans ²⁾	4,274	4,284	5,192	5,194
Collateral arrangement liabilities	350	350	376	376
Other short-term interest-bearing liabilities	109	109	224	224
Total short-term loans	459	459	599	599
Total	4,733	4,743	5,791	5,793

1) The reborrowing from the Finnish State Nuclear Waste Management Fund includes the part relating to Loviisa nuclear power plant as well as borrowing done through TVO.

2) Includes current portion of long-term liabilities of EUR 17 million (31 Dec 2023: 717).

3) Fair values do not include accrued interest.

Total current loans maturing within the next twelve months are EUR 476 million (31 Dec 2023: 1,316) and consist of short-term loans and the current portion of long-term loans. Short-term loans, EUR 459 million, include EUR 350 million collateral arrangements and use of commercial paper programmes of EUR 105 million.

In May, Fortum extended the EUR 800 million bilateral revolving credit facility maturing in June 2025 by one year, with a new maturity date in June 2026.

In June, Fortum signed its first green loan under the company's Green Finance Framework. The EUR 300 million green loan is aimed to refinance renewable energy and energy efficiency projects. The loan period is five years, and it has a one-year extension option by the lender. The loan partly refinanced a bank loan of EUR 700 million of which Fortum prepaid EUR 400 million in June. Fortum extended the EUR 2,400 million Core revolving credit facility by two years with new maturity in June 2027. After the original due date in June 2025 the facility size will be EUR 2,206 million.

In December, Fortum prepaid EUR 500 million bullet loan originally maturing in February 2025 (with one-year Fortum's extension option). Additionally, Fortum signed a new bilateral EUR 800 million revolving credit facility with maturity in January 2027.

The average interest rate for the portfolio of EUR loans was 3.6% at the balance sheet date (31 Dec 2023: 4.0%). The average interest rate on total loans and derivatives was 3.8% at the balance sheet date (31 Dec 2023: 4.3%).

Maturity of loans

EUR million	31 Dec 2024
2025	476
2026	757
2027	15
2028	522
2029	1,056
2030 and later	1,907
Total	4,733

Maturities in 2025 include EUR 350 million loans with no contractual due date.

Maturity of undiscounted lease liabilities

EUR million	31 Dec 2024
Due within one year	18
Due after one year and within five years	45
Due after five years	49
Total	112

Liquid funds

EUR million	31 Dec 2024	31 Dec 2023
Deposits and securities with maturity more than 3 months	90	0
Cash and cash equivalents	4,045	4,183
Total	4,136	4,183

At the end of the reporting period, the Group's liquid funds totalled EUR 4,136 million (31 Dec 2023: 4,183), and of these funds EUR 4,090 million (31 Dec 2023: 4,122) are placed with counterparties that have an investment grade credit rating.

The average interest rate for the liquid funds was 3.0% at the balance sheet date (31 Dec 2023: 3.9%).

Committed credit facilities

At the end of the reporting period, Fortum had undrawn committed credit facilities of EUR 4,000 million. These include the Core revolving credit facility, EUR 2,400 million (EUR 2,206 million from June 2025 onwards), with maturity in June 2027 and two EUR 800 million bilateral revolving credit facilities with maturity in June 2026 and January 2027. In addition, Fortum has EUR 100 million committed overdraft limits that are valid until further notice.

13 Nuclear-related assets and liabilities

Fortum owns Loviisa nuclear power plant in Finland. On Fortum's consolidated balance sheet, Share in the State Nuclear Waste Management Fund and the Nuclear provisions relate to Loviisa nuclear power plant.

Fortum also has minority interests in nuclear power companies, i.e. Teollisuuden Voima Oyj (TVO) in Finland and OKG Aktiebolag (OKG) and Forsmarks Kraftgrupp AB (Forsmark) in Sweden. The minority shareholdings are classified as associated companies and joint ventures and are consolidated with equity method. Both the Finnish and the Swedish companies are non-profit making, i.e. electricity production is invoiced to the owners at cost according to local GAAP.

In Finland and Sweden nuclear operators are legally obligated for the decommissioning of the plants and the disposal of spent fuel (nuclear waste management). In both countries, the nuclear operators are obligated to secure the funding of nuclear waste management by paying to government managed nuclear waste funds. The nuclear operators also have to give securities to guarantee that sufficient funds exist to cover future expenses of decommissioning of the power plant and the disposal of spent fuel.

13.1 Nuclear-related assets and liabilities for consolidated nuclear power plants

EUR million	31 Dec 2024	31 Dec 2023
Carrying values on the balance sheet		
Nuclear provisions	1,117	1,058
Fortum's share in the State Nuclear Waste Management Fund	1,117	1,058
Short-term receivable from the State Nuclear Waste Management Fund	65	0
Fortum's share of the fair value of the net assets in the State Nuclear Waste Management Fund	1,253	1,197
Share of fund not recognised on the balance sheet	70	139

Nuclear provision and fund accounted for according to IFRS

Nuclear provisions include the provision for the decommissioning and the provision for the disposal of spent fuel. Provisions are based on the total cost estimate in which future costs are discounted to net present value.

The carrying value of nuclear provisions, calculated according to IAS 37, increased by EUR 58 million compared to 31 December 2023, totalling EUR 1,117 million at 31 December 2024.

Fortum's share of the State Nuclear Waste Management Fund is from an IFRS perspective overfunded by EUR 70 million, since Fortum's share of the Fund on 31 December 2024 was EUR 1,253 million, while the carrying value on the balance sheet was EUR 1,117 million and the short-term receivable from the fund EUR 65 million. The Fund on Fortum's balance sheet can at maximum be equal to the amount of the provisions according to IFRS. As long as the Fund is overfunded from an IFRS perspective, other financial items are adjusted positively if the provisions increase more than the Fund, and negatively if the provision decreases below the actual value of the Fund.

Legal liability for Loviisa nuclear power plant

The legal liability on 31 December 2024, decided by the Ministry of Economic Affairs and Employment in December 2024, was EUR 1,272 million.

The legal liability is based on a cost estimate, which is updated every year; and a technical plan, which is updated every three years. The legal liability is determined by assuming that the decommissioning would start at the beginning of the year following the assessment year and discounting is not applied in determining the amount.

Fortum's share in the Finnish Nuclear Waste Management Fund

According to the Nuclear Energy Act, Fortum is obligated to contribute funds in full to the State Nuclear Waste Management Fund to cover the legal liability. Fortum contributes funds to the Finnish State Nuclear Waste Management Fund based on the yearly funding obligation target decided by the governmental authorities in connection with the decision of size of the legal liability. The current funding obligation target decided in December 2024 is EUR 1,228 million. The Ministry of Economic Affairs and Employment took into consideration in approving the funding target, the transfer of costs relating to decommissioning of the encapsulation plant and closure of the final disposal repository from Fortum to Posiva during 2025. Posiva is jointly owned by Fortum and TVO.

Borrowing from the State Nuclear Waste Management Fund

Participants in the Finnish State Nuclear Waste Management Fund are allowed to borrow from the Fund according to certain rules. Fortum uses the right to borrow back and has pledged shares in Kemijoki Oy as security for the loans. The loans are renewed every three years. See Note 12 Interest-bearing net debt and Note 15 Pledged assets and contingent liabilities.

13.2 Nuclear power plants in associated companies and joint ventures

OKG, Forsmark and TVO are non-profit making companies, i.e. electricity production is invoiced to the owners at cost. Invoiced cost is accounted according to local GAAP. In addition to the invoiced electricity production cost, Fortum makes IFRS adjustments to comply with Fortum's accounting principles. These adjustments include also Fortum's share of the companies' nuclear waste funds and nuclear provisions.

The tables below present the 100% figures relating to nuclear funds and provisions for the companies as well as Fortum's net share.

TVO's total nuclear-related assets and liabilities (100%)

EUR million	31 Dec 2024	31 Dec 2023
Carrying values in TVO with Fortum assumptions		
Nuclear provisions	1,673	1,614
Share of the State Nuclear Waste Management Fund	1,246	1,199
Net amount	-427	-415
of which Fortum's net share consolidated with equity method	-107	-104
TVO's legal liability and actual share of the State Nuclear Waste Management Fund		
Liability for nuclear waste management according to the Nuclear Energy Act	1,960	1,918
Share in the State Nuclear Waste Management Fund	1,525	1,458
Share of the fund not recognised on the balance sheet	279	259

TVO's legal liability, provision and share of the fund are based on same principles as described above for Loviisa nuclear power plant. The liabilities and shares in the Fund are calculated and recorded separately for OL1/OL2 plant units and OL3 plant unit, as the corresponding total cost estimates are prepared separately.

The difference between TVO's share in the State Nuclear Waste Management Fund and the carrying value of the TVO's share in the Fund is due to IFRIC 5, which requires that the carrying amount of the share in the State Nuclear Waste Management Fund is the lower of fair value or the value of the related liability. On 31 December 2024, the OL1/OL2 plant units' share in the Fund is higher than the provision according to IFRS. The OL3 plant unit's share in the Fund is on the other hand lower than the provision according to IFRS. TVO's share of the Finnish State Nuclear Waste Management Fund is from an IFRS perspective overfunded by EUR 279 million (of which Fortum's share is EUR 74 million), since TVO's share of the Fund on 31 December 2024 was EUR 1,525 million and the carrying value on the consolidated balance sheet with Fortum assumptions was EUR 1,246 million.

At 31 December 2024, Fortum had EUR 157 million (31 Dec 2023: 232) outstanding receivables regarding the construction of TVO's OL3 plant unit. The change is due to part of the shareholder loans being converted to equity during IV/2024. The construction was funded

through external loans, share issues and shareholder loans according to shareholders' agreement between the owners of TVO. TVO shareholder loan is classified as participation in joint ventures.

Participants in the Finnish State Nuclear Waste Management Fund are allowed to borrow from the fund according to certain rules. Fortum is using the right to reborrow funds through TVO based on its ownership. See more information in Note 12 Interest-bearing net debt.

OKG's and Forsmark's total nuclear-related assets and liabilities (100%)

EUR million	31 Dec 2024	31 Dec 2023
OKG's and Forsmark's nuclear-related assets and liabilities with Fortum assumptions		
Nuclear provisions	5,064	5,001
Share in the Swedish Nuclear Waste Fund	3,590	3,506
Net amount	-1,474	-1,495
of which Fortum's net share consolidated with equity method	-476	-472

In Sweden, Svensk Kärnbränslehantering AB (SKB), a company owned by the nuclear operators, takes care of all nuclear waste management-related activities on behalf of nuclear operators. SKB receives its funding from the Swedish Nuclear Waste Fund, which in turn is financed by the nuclear operators.

Nuclear waste fees and guarantees are normally updated every three years by governmental decision after a proposal from the National Debt Office (Riksgälden). The proposal is based on cost estimates done by SKB and the license holders. An updated technical plan for nuclear waste management was decided by SKB in December 2022. In January 2022, the Swedish government decided the waste fees and guarantees for 2022–2023 only. In December 2023, the Swedish Government decided on nuclear waste fees and guarantees in accordance with the proposal from the National Debt Office, for the year 2024. In December 2024, the Swedish Government decided on nuclear waste fees and guarantees in accordance with the proposal from the National Debt Office, for the year 2025. Nuclear waste fees paid by licensees with a unit/units that are still in operation are currently based on future costs with the assumed lifetime of 50 years for each unit of a nuclear power plant. The fee is calculated in relation to the energy delivered.

14 Capital and other commitments

Capital and other commitments are contractual or regulatory obligations that are not recognised as liabilities on the balance sheet, or disclosed as contingent liabilities.

At 31 December 2024, Fortum had EUR 465 million (31 Dec 2023: 292) capital commitments for the acquisition of property, plant and equipment and intangible assets. The increase in capital commitments is mainly due to an increase in Loviisa lifetime extension related investments and the start of Czeszochowa CHP decarbonisation project in Poland in late 2024.

For more information on other commitments, see Note 34 Capital and other commitments of the consolidated financial statements 2023.

15 Pledged assets and contingent liabilities

Fortum has issued direct and indirect guarantees and warranties on own behalf and on behalf of associated companies and joint ventures, which may obligate Fortum to make payments on the occurrence of certain events.

For the Swedish nuclear companies there are two types of guarantees given. The Financing Amount is given to cover Fortum's share of the uncovered part in the Nuclear Waste Fund, assuming no further production and that no further nuclear waste fees are paid in. The uncovered amount is calculated by the authorities and is based on the difference between the expected costs and the funds to cover these costs at the time of the calculation. The Supplementary Amount constitutes a guarantee for deficits that can arise as a result of unplanned events.

The guarantee given on behalf of Teollisuuden Voima Oyj to the Ministry of Economic Affairs and Employment amounts to EUR 151 million (31 Dec 2023: 142). The guarantee covers the unpaid legal liability due to periodisation, as well as risks for unexpected future costs. For more information, see Note 13 Nuclear-related assets and liabilities.

Further, Fortum has pledged shares in Kemijoki Oy as a security for the reborrowing from the Finnish State Nuclear Waste Management Fund for the Loviisa nuclear power plant part, amounting to EUR 718 million (31 Dec 2023: 718). Fortum has also pledged real estate mortgages in Pyhäkoski hydro plant as security for the uncovered part of the legal nuclear liability to the Ministry of Economic Affairs and Employment amounting to EUR 125 million (31 Dec 2023: 122).

Pledged assets include securities of EUR 213 million (31 Dec 2023: 325) to the Nordic Power Exchange (Nasdaq Commodities), margin receivables of EUR 205 million (31 Dec 2023: 590) and restricted cash of EUR 7 million (31 Dec 2023: 13). Margin receivables consist of cash collaterals for trading in commodities exchanges, as well as foreign exchange and interest rate derivatives under Credit Support Annex agreements.

Pledged assets on behalf of others consist of restricted cash of EUR 62 million (31 Dec 2023: 51) posted as collateral toward Nasdaq Clearing AB covering Fortum's required contribution to the Commodity Market Default Fund (default fund). The default fund is a mutualised fund whereby all participants on the Nordic power exchange (Nasdaq Commodities) post collateral in relation to their exposure on the market in order to cover potential defaults by members which may cause losses exceeding the members' own collateral.

For more information, see Note 35 Pledged assets and contingent liabilities of the consolidated financial statements 2023.

16 Legal actions and official proceedings

Various routine court actions, arbitration proceedings, tax and regulatory investigations and proceedings are currently pending against entities of the Group, and further actions or proceedings may be instituted or asserted in the future. For more information, see Note 36 Legal actions and official proceedings of the consolidated financial statements 2023.

Income tax assessments in Belgium for the year 2008

On 20 June 2024, the Belgian Supreme Court ruled in favour of Fortum in connection with Fortum's income tax assessments in Belgium for the year 2008. The decision concerns Fortum's Belgian financing company, Fortum EIF NV, which provided internal financing to a Swedish group company to finance an acquisition in Russia. The amount of additional tax claimed for 2008 is EUR 36 million. The tax had been paid and recognised as a receivable and it was repaid to Fortum in III/2024. In addition, Fortum received EUR 19 million pre-tax in interest income, which is recorded as financial items in II/2024. The decision is final and this is the last open year in Fortum's Belgian tax audits. The previous court ruling was made in Fortum's favour in 2022.

Settlement with Vestas

In October 2024 Fortum announced that Fortum and Vestas have reached a settlement in a commercial dispute between the companies. The dispute concerned deliveries of equipment for wind parks in Russia for which Fortum had made advance payments to Vestas. The financial impact of the settlement has been recorded as items affecting comparability in IV/2024. With the settlement agreement, the previously commenced International Chamber of Commerce arbitration process has been terminated.

Investment arbitration proceedings against the Russian Federation

Fortum has in February 2024 initiated arbitration proceedings against the Russian Federation and will claim compensation for the unlawful expropriation of its assets, in order to protect its legal position and shareholder rights. Fortum is seeking compensation for the value of its shares in PAO Fortum (currently PAO Forward Energy) and its investments in Russia, amounting to several billions of euros. The arbitration proceedings are the result of the Russian Federation's violations of its investment treaty obligations under the Bilateral Investment Treaties that Russia has with the Netherlands and Sweden, and the Russian Federation's failure to engage in any settlement discussions with Fortum. The dispute stems from the hostile actions taken by the Russian Federation which culminated with the Presidential Decree No. 302 issued on 25 April 2023, whereby Fortum lost control of its Russian operations. The arbitration proceedings are expected to take several years, followed by enforcement of the arbitral award. The outcome of the enforcement measures can be assessed once the award has been obtained.

Legal proceedings against PAO Forward Energy

In October 2024, Fortum announced that it has initiated legal proceedings before a Dutch civil court against PAO Forward Energy (formerly known as PAO Fortum). The proceedings concern intercompany loans of approximately EUR 600 million granted to PAO Fortum. The claim, including interest and default interest, amounts to approximately EUR 800 million. The final amount will depend on the RUB/EUR foreign exchange rate and amount of due interest.

Fennovoima's Hanhikivi nuclear power plant project

RAOS Project Oy and JSC Rusatom Energy International and Fennovoima Oy are engaged in International Chamber of Commerce (ICC) arbitration proceedings regarding Fennovoima's EPC Contract for the Hanhikivi nuclear power plant project. RAOS Project Oy has requested also Fortum and certain other parties to be joined in these proceedings. Fortum disputes the existence of any contractual

relation, obligation, or arbitration agreement between Fortum and RAOS Project Oy. Therefore, Fortum is of the opinion that an arbitral tribunal has no jurisdiction to decide any claims against Fortum. As Fortum is not a party to the agreement under dispute, it considers the request to be completely unfounded and strongly opposes it.

17 Related party transactions

Related parties are described in more detail in the consolidated financial statements for the year ended 31 December 2023.

Transactions with associates and joint ventures

EUR million	IV/2024	IV/2023	2024	2023
Sales	1	5	9	12
Purchases	171	185	622	602
Other income	0	0	0	-3
Interest income on loan receivables	6	5	24	18
Interest expense on loan payables	3	3	10	8

Balances with associates and joint ventures

EUR million	31 Dec 2024	31 Dec 2023
Receivables		
Long-term interest-bearing loan receivables	431	644
Trade and other receivables	26	30
Liabilities		
Long-and short-term loan payables	232	239
Trade and other payables	75	72

Other transactions with related parties

At the end of 2023, the Finnish State owned 51.26% of Fortum's shares. There has been no change in the number of shares the Finnish State owns in Fortum during 2024.

On 30 October 2023, Fortum announced that an agreement has been signed with the National Emergency Supply Agency (NESA). Under this agreement, NESA reserves the production of the Meri-Pori power plant for severe disruption and emergencies to guarantee security of supply in the electricity system in Finland. The agreement period is from 1 April 2024 (amended on 26 February 2024 from 1 March 2024) until 31 December 2026.

Fortum had a bridge financing arrangement with the Finnish State from September 2022 until March 2023. In 2023, interest expenses and fees relating to the bridge loan facility amounted to EUR 56 million and were recognised in Finance costs - net. See Note 37 Related party transactions in the consolidated financial statements for the year ended 31 December 2023 for details.

18 Events after the balance sheet date

There have been no material events after the balance sheet date.

19 Definitions and reconciliations of key figures

Alternative performance measures

Business performance	Definition	Reason to use the measure	Reference to reconciliation
Comparable EBITDA	Operating profit + depreciations and amortisations - items affecting comparability	Comparable EBITDA is representing the underlying cash flow generated by the total Group and segments. Used as a component in the capital structure target of Financial net debt to Comparable EBITDA.	Key ratios after cash flow statement
Comparable operating profit	Operating profit - items affecting comparability	Comparable operating profit is used in financial target setting and forecasting, management's follow up of financial performance and allocation of resources in the group's performance management process.	Income statement
Items affecting comparability	Impairment charges and reversals + capital gains and other related items + changes in fair values of derivatives hedging future cash flow + other	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement
Impairment charges and reversals	Impairment charges and related provisions (mainly dismantling), as well as the reversal of previously recorded impairment charges. Impairment charges are adjusted from depreciation and amortisation, and reversals from other income.	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement
Capital gains and other related items	Capital gains and transaction costs from acquisitions, which are adjusted from other income and other expenses respectively. Profits are reported in comparable operating profit, if this reflects the business model.	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement
Changes in fair values of derivatives hedging future cash flow	Effects from financial derivatives hedging future cash flows where hedge accounting is not applied or own use exemption cannot be used according to IFRS 9 and are adjusted from other income or expense to sales and materials and services respectively when calculating Fortum's alternative performance measures.	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement
Other	Restructuring and cost management expenses, and other miscellaneous non-operating items, which are adjusted mainly from materials and services or other expenses.	Component used in calculating comparable operating profit and comparable EBITDA.	Income statement

Business performance	Definition	Reason to use the measure	Reference to reconciliation
Comparable share of profit/loss of associates and joint ventures	Share of profit/loss of associates and joint ventures +/- significant adjustments for share of profit /loss in associates and joint ventures.	Component used in calculating comparable net profit and comparable return on net assets.	Note 4 Comparable operating profit and comparable net profit
Comparable finance costs – net	Finance costs – net +/- return from nuclear funds, nuclear fund adjustment and unwinding of nuclear provisions +/- fair value changes on financial items +/- impairment charges and reversals of previously recorded impairment charges on financial items and other one-time adjustments.	Component used in calculating comparable net profit.	Note 4 Comparable operating profit and comparable net profit
Comparable profit before income tax	Comparable operating profit +/- comparable share of profit/loss of associates and joint ventures +/- comparable finance costs – net.	Subtotal in comparable net profit calculation.	Note 4 Comparable operating profit and comparable net profit
Comparable income tax expense	Income tax expense excluding taxes on items affecting comparability, adjustments to finance costs – net, tax rate changes and other one-time adjustments.	Component used in calculating comparable net profit.	Note 4 Comparable operating profit and comparable net profit
Comparable net profit	Comparable operating profit +/- comparable share of profit/loss of associates and joint ventures +/- comparable finance costs - net +/- comparable income tax expense +/- comparable non-controlling interests.	Comparable net profit is used to provide additional financial performance indicators to support meaningful comparison of underlying net profitability between periods.	Note 4 Comparable operating profit and comparable net profit
Comparable earnings per share	$\frac{\text{Comparable net profit}}{\text{Average number of shares during the period}}$	Comparable earnings per share is used to provide additional financial performance indicators to support meaningful comparison of underlying net profitability between periods.	Note 4 Comparable operating profit and comparable net profit
Comparable return on net assets, %	$\frac{\text{Comparable operating profit} + \text{comparable share of profit /loss of associates and joint ventures}}{\text{Comparable net assets average}} \times 100$	Comparable return on net assets is used in financial target setting and forecasting, management's follow up of financial performance and allocation of resources in the group's performance management process.	Note 3 Segment information
Comparable net assets	Non-interest-bearing assets - non-interest-bearing liabilities - provisions (non-interest-bearing assets and liabilities do not include finance-related items, tax and deferred tax and assets and liabilities from fair valuations of derivatives used for hedging future cash flows).	Comparable net assets is a component in Comparable return on net assets calculation where return on capital allocated directly to the businesses is measured.	Note 3 Segment information

Capital structure	Definition	Reason to use the measure	Reference to reconciliation
Financial net debt / comparable EBITDA	Financial net debt Comparable EBITDA	Financial net debt to Comparable EBITDA is Fortum's long-term financial target measure for capital structure.	Key ratios after cash flow statement
Financial net debt	Interest-bearing liabilities - liquid funds - securities in interest-bearing receivables +/- net margin liabilities/receivables	Financial net debt is used in the follow-up of the indebtedness of the group and it is a component in the capital structure target of Financial net debt to Comparable EBITDA.	Note 12 Interest-bearing net debt

Other key figures

Share based key figures

Earnings per share (EPS)	$\frac{\text{Profit for the period - non-controlling interests}}{\text{Average number of shares during the period}}$
Equity per share	$\frac{\text{Shareholder's equity}}{\text{Number of shares at the end of the period}}$

Other key figures

Capital expenditure	Capitalised investments in property, plant and equipment and intangible assets including maintenance, productivity, growth and investments required by legislation including borrowing costs capitalised during the construction period. Maintenance investments expand the lifetime of an existing asset, maintain usage/availability and/or maintains reliability. Productivity investments improve productivity in an existing asset. Growth investments' purpose is to build new assets and/or to increase customer base within existing businesses. Legislation investments are done at certain point of time due to legal requirements.
Gross investments in shares	Investments in subsidiary shares, shares in associated companies and joint ventures and other investments. Investments in subsidiary shares are net of liquid funds and grossed with interest-bearing liabilities and other items included in financial net debt in the acquired company.

Tax key figures

Effective income tax rate, %	$\frac{\text{Income tax expense}}{\text{Profit before income tax}} \times 100$
Comparable effective income tax rate, %	$\frac{\text{Comparable income tax expense}}{\text{Comparable profit before income tax excluding comparable share of profit/loss of associated companies and joint ventures}} \times 100$

Reconciliations of alternative performance measures

Comparable EBITDA

EUR million	Note	IV/2024	IV/2023	2024	2023
Operating profit		390	376	1,325	1,662
+ Depreciation and amortisation		98	101	379	359
EBITDA		488	477	1,704	2,021
- Items affecting comparability	4	-133	-18	-147	-118
Comparable EBITDA		355	459	1,556	1,903

Comparable operating profit

EUR million	Note	IV/2024	IV/2023	2024	2023
Operating profit		390	376	1,325	1,662
- Items affecting comparability	4	-133	-18	-147	-118
Comparable operating profit	4	257	359	1,178	1,544

Items affecting comparability

EUR million	Note	IV/2024	IV/2023	2024	2023
Impairment charges and reversals		-15	0	-17	0
Capital gains and other related items		176	2	183	4
Changes in fair values of derivatives hedging future cash flow		-69	21	-61	111
Other		42	-5	43	3
Items affecting comparability	4	133	18	147	118

Comparable net profit

EUR million	Note	IV/2024	IV/2023	2024	2023
Net profit		338	413	1,160	1,515
- Items affecting comparability	4	-133	-18	-147	-118
- Adjustments to share of profit/loss of associates and joint ventures	7	3	-58	-49	-52
- Adjustments to finance costs - net	8	-50	-30	-91	2
- Adjustments to income tax expenses	9	7	8	20	-201
- Non-controlling interests		6	-3	4	-1
- Adjustments to non-controlling interests		-2	4	3	5
Comparable net profit from continuing operations	4	169	317	900	1,150
Comparable net profit from discontinued operations	6.3	—	—	—	34
Comparable net profit, total Fortum		169	317	900	1,184

Comparable earnings per share

	Note	IV/2024	IV/2023	2024	2023
Comparable net profit from continuing operations, EUR million	4	169	317	900	1,150
Average number of shares during the period, 1,000 shares		897,264	897,264	897,264	897,264
Comparable earnings per share from continuing operations, EUR		0.18	0.35	1.00	1.28
Comparable net profit from discontinued operations, EUR million	4	—	—	—	34
Average number of shares during the period, 1,000 shares		897,264	897,264	897,264	897,264
Comparable earnings per share from discontinued operations, EUR		—	—	—	0.04
Comparable net profit, total Fortum, EUR million	4	169	317	900	1,184
Average number of shares during the period, 1,000 shares		897,264	897,264	897,264	897,264
Comparable earnings per share, total Fortum, EUR		0.18	0.35	1.00	1.32

Financial net debt

EUR million	Note	31 Dec 2024	31 Dec 2023
+ Interest-bearing liabilities		4,828	5,909
- Liquid funds		4,136	4,183
- Collateral arrangement		213	325
- Margin receivables		205	590
+ Margin liabilities		93	131
+/- Net margin liabilities/receivables		-111	-459
Financial net debt	12	367	942

Financial net debt/comparable EBITDA

EUR million	Note	2024	2023
+ Interest-bearing liabilities		4,828	5,909
- Liquid funds		4,136	4,183
- Collateral arrangement		213	325
- Margin receivables		205	590
+ Margin liabilities		93	131
+/- Net margin liabilities/receivables		-111	-459
Financial net debt	12	367	942
Operating profit		1,325	1,662
+ Depreciation and amortisation		379	359
EBITDA		1,704	2,021
- Items affecting comparability		-147	-118
Comparable EBITDA from continuing operations		1,556	1,903
Financial net debt/comparable EBITDA		0.2	0.5

Market conditions and achieved power prices

Power consumption

TWh	IV/2024	IV/2023	2024	2023
Nordic countries	107	113	395	386

Average prices

	IV/2024	IV/2023	2024	2023
Spot price for power in Nord Pool power exchange, EUR/MWh	31.0	57.6	36.1	56.4
Spot price for power in Finland, EUR/MWh	41.5	61.1	45.6	56.5
Spot price for power in Sweden, SE3, Stockholm EUR/MWh	42.7	56.5	35.8	51.7
Spot price for power in Sweden, SE2, Sundsvall EUR/MWh	12.4	44.0	24.6	40.0
Spot price for power in Germany, EUR/MWh	102.6	82.3	79.6	95.2
CO ₂ , (ETS EUA next Dec), EUR/tonne CO ₂	66	77	67	85
Coal (ICE Rotterdam front month), USD/tonne	117	119	112	125
Oil (Brent front month), USD/bbl	74	83	80	82
Gas (TTF front month), EUR/MWh	43	43	35	41

Hydro reservoir

TWh	31 Dec 2024	31 Dec 2023
Nordic hydro reservoir level	99	77
Nordic hydro reservoir level, long-term average	84	84

Export/import

TWh (+ = import to, - = export from Nordic area)	IV/2024	IV/2023	2024	2023
Export / import between Nordic area and Continental Europe + Baltics	13	-6	42	-41

Achieved power prices

EUR/MWh	IV/2024	IV/2023	2024	2023
Generation segment's Nordic achieved power price	51.7	58.1	52.5	63.1

Fortum's production and sales volumes

Power generation

TWh	IV/2024	IV/2023	2024	2023
Nordic countries	11.2	13.1	45.8	46.4
Other European countries	0.2	0.2	0.6	0.6
Total continuing operations	11.4	13.3	46.3	47.0

Heat production

TWh	IV/2024	IV/2023	2024	2023
Nordic countries	0.8	1.1	3.0	3.2
Other European countries	0.4	0.4	1.1	1.1
Total continuing operations	1.2	1.5	4.1	4.3

Power generation capacity by segment

MW	31 Dec 2024	31 Dec 2023
Generation ¹⁾	9,286	9,223
Other Operations	0	25
Total	9,286	9,248

1) Including Meri-Pori power plant capacity 565 MW. The production of the Meri-Pori power plant is reserved for severe disruption and emergencies under an agreement with the National Emergency Supply Agency.

Heat production capacity by segment

MW	31 Dec 2024	31 Dec 2023
Generation	1,842	2,022
Other Operations	0	171
Total	1,842	2,193

Power generation by source in the Nordic area

TWh	IV/2024	IV/2023	2024	2023
Hydropower	4.6	6.0	20.2	20.9
Nuclear power	6.2	6.9	24.3	24.8
Wind power	0.3	0.1	0.9	0.1
CHP and condensing power	0.1	0.1	0.3	0.5
Total	11.2	13.1	45.8	46.4

Power generation by source in the Nordic area

%	IV/2024	IV/2023	2024	2023
Hydropower	41	46	44	45
Nuclear power	55	53	53	54
Wind power	3	1	2	0
CHP and condensing power	1	1	1	1
Total	100	100	100	100

Power generation by source in other European countries

TWh	IV/2024	IV/2023	2024	2023
CHP	0.2	0.2	0.6	0.6

Power sales

EUR million	IV/2024	IV/2023	2024	2023
Nordic countries	909	1,209	3,593	4,311
Other European countries	214	206	774	879
Other countries	0	1	1	2
Total continuing operations	1,123	1,415	4,368	5,193

Heat sales

EUR million	IV/2024	IV/2023	2024	2023
Nordic countries	54	72	190	208
Other European countries	117	103	336	304
Total continuing operations	172	175	527	512

Power sales by area

TWh	IV/2024	IV/2023	2024	2023
Finland	5.7	6.6	22.9	23.6
Sweden	6.3	8.1	27.6	27.1
Norway	1.0	3.8	6.5	12.8
Other countries	1.5	1.5	5.8	6.0
Total continuing operations	14.6	20.0	62.8	69.5

Nord Pool transactions are calculated as a net amount of hourly sales and purchases at the Group level.

Heat sales by area

TWh	IV/2024	IV/2023	2024	2023
Finland	0.7	0.9	2.4	2.6
Poland	1.3	1.2	3.2	3.4
Other countries	0.1	0.1	0.4	0.4
Total continuing operations	2.0	2.3	6.1	6.4