# FINANCIALS 2025


fortum

# Financials 2025 – Reader's guide

This report consists of the operating and financial review and the consolidated financial statements of Fortum Group, including the parent company financial statements. Other parts of Fortum's reporting entity include CEO's business review, corporate governance statement, remuneration report as well as tax footprint, which are published on Fortum's webpage. Sustainability reporting is an integrated part of Fortum's annual reporting and additional information on sustainability operations can be found on Forum's website in sustainability section.

| | | | | |
|---|---|---|---|---|
| **Operating and financial review**<br>This section includes description of Fortum's financial performance during 2025. Here you will also find a description of the risk management as well as information on sustainability and Fortum share performance. | **Sustainability statement**<br>is in the Operating and financial review section. The statement has four main sections: general information, environmental sustainability, social sustainability and business conduct, and includes information, e.g., on Fortum's climate transition plan and sustainability targets. | **Consolidated financial statements**<br>Primary statements include Fortum's consolidated income statement, statement of comprehensive income, balance sheet, statement of changes in total equity and cash flow statement. | **Notes**<br>The notes to the consolidated financial statements are grouped to six sections based on their nature. Use the note number list on the left side of the notes pages to navigate in the financial statements. | **Key figures**<br>Key figures consist of financial key figures, share key figures, sustainability key figures and segment key figures for 2024–2025. The financial key figures derive mainly from the primary statements. Segment key figures include information on segments. |
| **Parent company financial statements**<br>Here you can read the parent company financial statements including the primary statements, cash flow and notes to the financial statements. | **Signatures**<br>The Board of Directors' and the CEO's signatures of the operating and financial review, the sustainability statement and financial statements are in this section. | **Auditor's reports**<br>This section includes the audit report on the financial statements, the assurance report on ESEF financial statements and the limited assurance report on the sustainability statement issued by Deloitte Oy. | **Key figures 2016–2025, operational key figures and quarterly financial information**<br>Look here for financial key figures, share key figures, sustainability key figures, segment key figures, operational key figures and volume related key figures for 2016–2025 as well as capex and quarterly financial information for the years 2024 and 2025. | **Investor information**<br>Here you will find information on Fortum's Annual General Meeting, dividend payment, basic share information as well as details of the financial information available to shareholders in 2026. |

**Notes**

**1–3 Basis of preparation**
These notes describe the basis of preparing the consolidated financial statements and consist of the accounting policies, critical accounting estimates and judgements and information about acquisitions and disposals.

**4–5 Risks**
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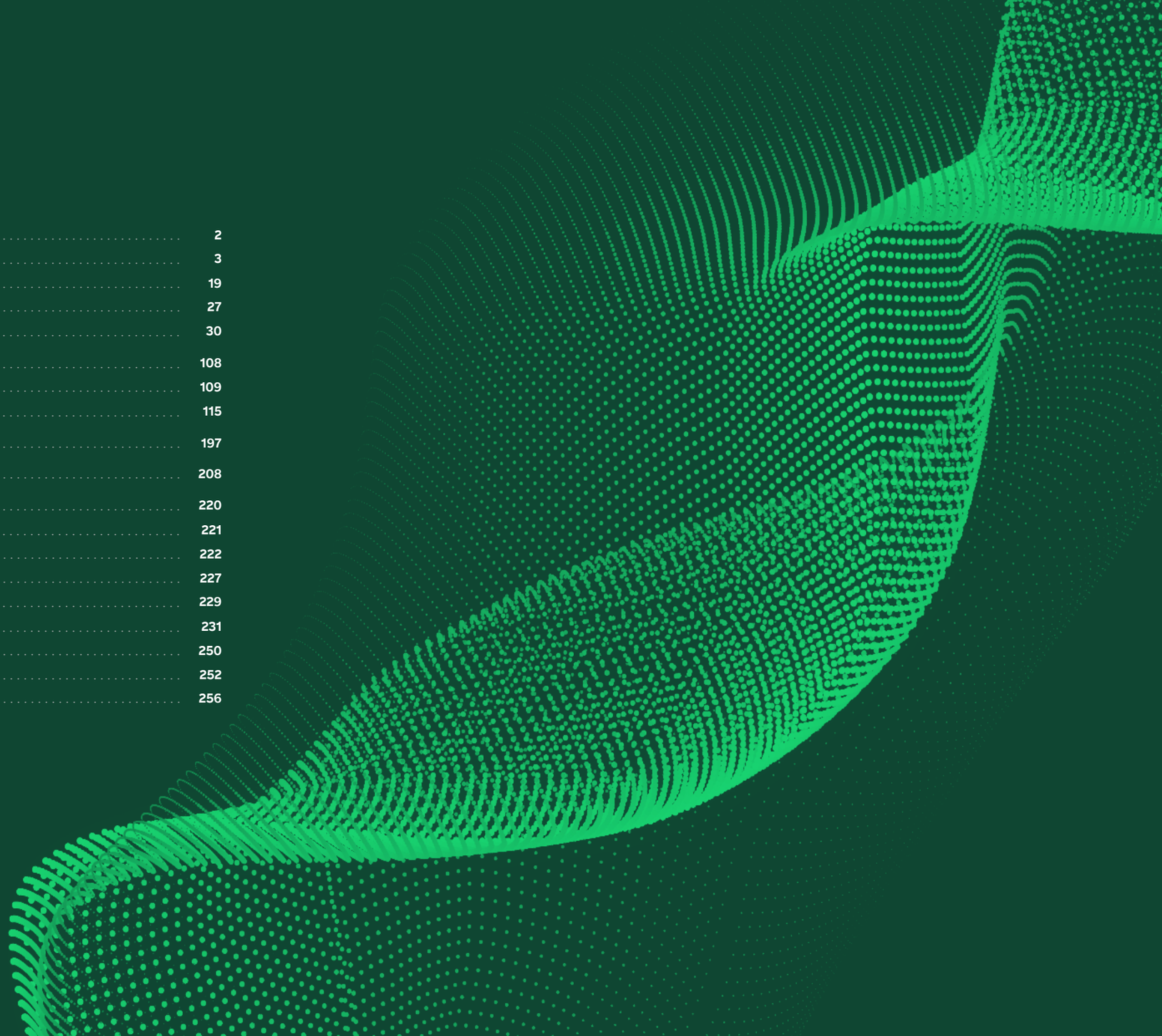
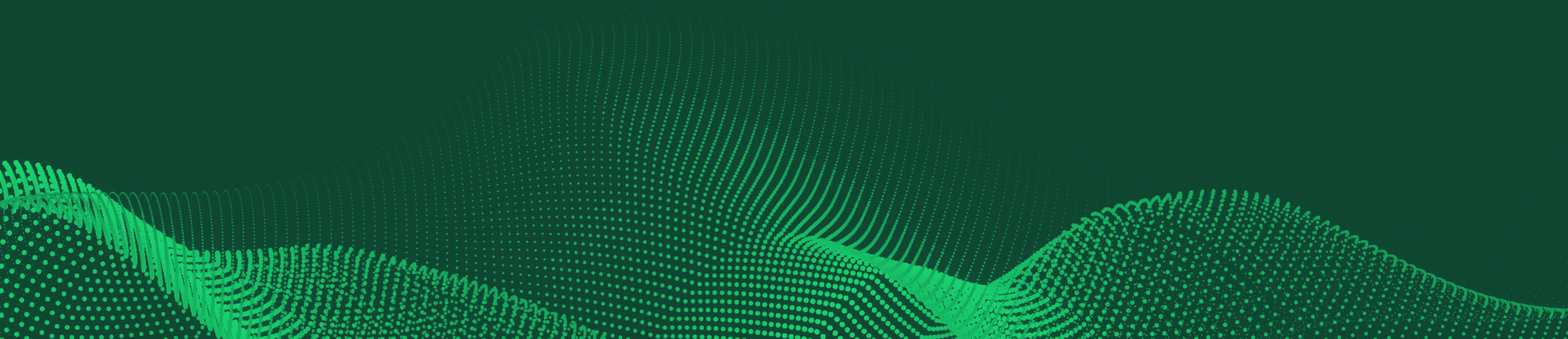


# Operating and financial review





# Financial performance and position

2025 was defined by strong optimisation premium, solid achieved power price and low generation volumes

## Key figures

### Key figures, continuing operations

| EUR million or as indicated | 2025 | 2024 | 2023 |
|---|---|---|---|
| **Reported** | | | |
| Sales | 4,989 | 5,800 | 6,711 |
| Operating profit | 939 | 1,325 | 1,662 |
| - of sales % | 18.8 | 22.8 | 24.8 |
| Share of profit/loss of associates and joint ventures | 56 | 19 | 59 |
| Profit before income tax | 936 | 1,399 | 1,583 |
| - of sales % | 18.8 | 24.1 | 23.6 |
| Net profit | 763 | 1,160 | 1,515 |
| Net profit (after non-controlling interests) | 765 | 1,164 | 1,514 |
| Earnings per share, EUR | 0.85 | 1.30 | 1.68 |
| Net cash from operating activities | 840 | 1,392 | 1,710 |

| EUR million or as indicated | 2025 | 2024 | 2023 |
|---|---|---|---|
| **Comparable** | | | |
| EBITDA | 1,240 | 1,556 | 1,903 |
| Operating profit | 924 | 1,178 | 1,544 |
| Share of profit of associates and joint ventures | 28 | -30 | 7 |
| Return on net assets (RONA), % | 10.9 | 13.0 | 18.0 |
| Net assets | 9,150 | 8,554 | 8,941 |
| Net profit (after non-controlling interests) | 739 | 900 | 1,150 |
| Earnings per share, EUR | 0.82 | 1.00 | 1.28 |

| EUR million or as indicated | 2025 | 2024 | 2023 |
|---|---|---|---|
| **Financial position** | | | |
| Financial net debt | 1,479 | 367 | 942 |
| Financial net debt/comparable EBITDA | 1.2 | 0.2 | 0.5 |

### Key figures, total of continuing and discontinued operations

Fortum's consolidated income statement and consolidated cash flow statement include the Russia segment as discontinued operations in 2023. Control over Fortum's Russian operations was lost in April 2023 and consequently, the Russia segment was deconsolidated and classified as discontinued operations in 2023. See Note 3.

| EUR million or as indicated | 2025 | 2024 | 2023 |
|---|---|---|---|
| **Reported** | | | |
| Net profit (after non-controlling interests) | 765 | 1,164 | -2,069 |
| Earnings per share, EUR | 0.85 | 1.30 | -2.31 |
| Net cash from operating activities | 840 | 1,392 | 1,819 |
| **Comparable** | | | |
| Net profit (after non-controlling interests) | 739 | 900 | 1,184 |
| Earnings per share, EUR | 0.82 | 1.00 | 1.32 |

| EUR million or as indicated | 2025 | 2024 | 2023 |
|---|---|---|---|
| Shareholders' equity per share, EUR | 9.52 | 10.11 | 9.40 |
| Return on shareholders' equity, % | 8.6 | 13.1 | -25.5 |
| Equity-to-assets ratio, % | 52 | 53 | 45 |

See Reconciliations of alternative performance measures and Definitions of key figures.

For Fortum, 2025 was marked by a strong optimisation premium and solid achieved power price despite low generation volumes. At the end of the year, we updated our long-term financial targets as well as strategic targets and KPIs to ensure value creation from both existing operations and upcoming opportunities. We are confident that electricity demand in the Nordics will grow – driven by data centres, decarbonisation and electrification of industry, and the broader transition to a low-carbon society. With Fortum's unique position in the Nordics, we are ready to lead that wave.

In 2025, the Nordic power market was characterised by continued strong price volatility. A warm start to the year and the surplus in hydro reservoir levels lowered Nordic spot prices early in the year, especially in the north. Mild weather persisted into the second quarter. Reduced hydro inflows and increased generation soon decreased the surplus, pushing up prices by summer. At the beginning of the third quarter, low rainfall returned hydro reservoirs to average, further supporting prices. In the fourth quarter, Nordic spot prices were higher compared to the previous year due to lower reservoir levels and lower wind speeds. Nordic power demand remained unchanged compared to 2024, primarily sustained by non-industrial consumption, while electricity exports from the Nordic region saw a slight decrease.

Our 2025 financial year comparable result was affected by the decline in the Generation segment's result. The main reason was lower generation volumes, but also lower hedge power prices had a negative effect. Our nuclear and hydro output was as much as 3.9 TWh below last year's output, mainly due to the long unplanned outage at the Oskarshamn nuclear plant but also lower hydro inflows. However, our achieved power price of 51.4 EUR/MWh was strong, supported by successful physical optimisation and hedging. The optimisation premium of 9.7 EUR/MWh clearly improved from 2024. The optimisation premium in particular confirms Fortum's ability to create value from its very competitive outright generation portfolio. Further, we are very pleased that our Consumer Solutions segment recorded its strongest full-year comparable operating profit so far, driven by improved gas and electricity margins and realised cost synergies from the brand mergers completed in 2024. The Other Operations segment also saw an improvement in its comparable result in 2025 due to divestments of non-core businesses carried out the year before.

Our financial position continues to be robust with a leverage for Financial net debt-to-Comparable EBITDA of 1.2 times, and we continued to have sufficient liquidity and credit line buffers at the end of the year.

Based on our Group results and financial position, Fortum's Board of Directors is proposing to the Annual General Meeting a dividend of EUR 0.74 per share corresponding to a 90% payout of comparable EPS, in line with Fortum's dividend policy. Adding the proposed dividend payment to the net debt-to-comparable EBITDA at the end of 2025, it would be 1.7 times.

In 2025, Fortum committed to its SBTi-validated short- and long-term targets and net zero target by 2040, and we will exit coal by the end of 2027. In 2025, 99% of Fortum's power generation came from renewable (hydro and wind) or nuclear sources, leading to one of the lowest specific $CO_2$ emissions among European utilities. We are proud to announce that in 2025 we already achieved our ambitious targets for specific emissions, both for total energy production and for power generation – reinforcing our position as a climate leader in the industry. In 2025, we also updated our terrestrial and aquatic biodiversity targets, outlined our first biodiversity plan with concrete actions for the upcoming years and published our terrestrial biodiversity footprint for the first time.

In November, we held our Investor Day and updated our strategic targets and KPIs regarding our strategic focus areas: operations, commercialisation and development. Our strategic priorities remained fundamentally the same.

Regarding our strategic priority to deliver reliable energy to our customers, in 2025 we focused on our core operations and advanced several significant projects to even better meet the needs of our customers, the society and the Nordic energy system. At the Loviisa nuclear power plant, the preparations for the lifetime extension until 2050 are advancing well, and we continued the introduction of Western fuel into the plant's second unit. A significant amount of the fuel load at Loviisa nuclear power plant is now of Western origin. In March, we announced the results of our extensive feasibility study exploring the prerequisites for new nuclear in Finland and Sweden. The study concluded that with the current power market outlook, new nuclear power is not economically viable on a merchant basis only. Fortum will continue to develop new nuclear power as a long-term option to meet projected customer demand growth. Fortum also started a feasibility study to explore possibilities for flexible pumped-storage hydropower in Sweden. In Consumer Solutions, we announced the acquisition of Orange Energia in June, one of the largest independent electricity solutions providers in Poland. The Espoo Clean Heat programme is making significant progress: we have now commissioned our own electrified district heat production at the Espoo and Kirkkonummi data centre sites with future waste heat offtake from the upcoming Microsoft data centres. Additionally, the electricity-powered district heating facility in Nuijala, Espoo, has also begun production. In the fourth quarter, we made the decision to invest EUR 85 million in decarbonisation of our Zabrze CHP plant in Poland, following last year's similar investment decision in the Czestochowa plant.

On our strategic priority to drive decarbonisation in industries, we have continued to develop several sites across Finland that can be offered to our customers for data centre or industrial use. In addition, we have continued in the role of energy partner to support a feasibility study exploring low-carbon aluminium manufacturing opportunities in Kokkola and Kruunupyy, Finland. In 2025, we also expanded our renewable energy development pipeline through two major onshore wind power portfolio acquisitions in Finland. We secured a 2.6-GW development portfolio from Enersense and a 4.4-GW development portfolio from ABO Energy, bringing our permitting-phase wind and solar pipeline across the Nordics to approximately 8 GW, with more projects in the early development phase.

To ensure competitiveness also in future years, Fortum's third strategic priority is to transform and develop. In 2025, Fortum concluded its efficiency improvement programme, reducing annual fixed costs by EUR 100 million (excluding inflation) by the end of 2025. In 2026, fixed costs are expected to be approximately EUR 870 million. Going forward, Fortum expects its Comparable operating profit to improve by EUR 330 million by 2030. This improvement is based on our own actions, for example improved fleet availability, efficiency improvements and organic growth. The improvement does not include impacts from capital expenditure, M&A or power price changes.

In the near term, the operating environment continues to be impacted by strong geopolitical tensions, which cause uncertainty and turbulence and may pose challenges to major industrial investments in the Nordics. However, we continue to see robust underlying customer demand from various industrial sectors, which we believe reflects the long-term power demand growth. We continue to develop our opportunities for customer-driven profitable growth as well as our competitiveness and efficiency.

## Fortum's strategy

On 25 November at its Investor Day, Fortum updated its long-term financial targets, strategic targets and strategic KPIs. Comparable return on net assets (RONA) of 14% was added as a long-term target for the Group. The target of maintaining a credit rating of at least BBB remained unchanged.

Fortum's strategy, launched in 2023, and strategic priorities remained fundamentally unchanged. The strategic priorities are 'deliver reliable energy to customers', 'drive decarbonisation in industries', and 'transform and develop'. The Group's business portfolio is built on hydro and nuclear generation, flexibility and optimisation, demand-driven renewables, electricity solutions business for consumers, and heating and cooling operations.

### Financial and environmental targets

- Group Comparable RONA 14%
- To ensure a credit rating of BBB, Financial net debt-to-Comparable EBITDA can be a maximum of 2.5 times (previously 2.0–2.5). S&P Global Ratings and Fitch Ratings currently rate Fortum as BBB+ with Stable Outlook.
- 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 upper end of the pay-out 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 seeks to continue to pay competitive cash dividends.
- Fortum expects its Comparable operating profit to improve by EUR 330 million by 2030 compared to the base line of EUR 930 million for the last twelve months at end of September 2025. This improvement is based on own actions and does not include effects from capital expenditure, acquisitions or price impacts.
- 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 updated in November 2025.

### Strategic targets and KPIs

Fortum set new and updated strategic targets to capture long-term opportunities and mitigate business and market risks as well as to measure its strategy implementation. Fortum's strategic focus areas are Operations, Commercialisation and Development.

| STRATEGIC FOCUS AREAS | OPERATIONS | COMMERCIALISATION | DEVELOPMENT |
|---|---|---|---|
| **Rationale** | **Strong competitiveness and optimisation** | **Stable, scenario-resilient cash flows** | **Future-proofed portfolio** |
| **Targets** | Reach full value creation potential of existing operations | Create customer-centric products and services | Develop customer-driven growth options |
| **Key Performance Indicators** | **Fleet availability**<br>>90% for nuclear<br>>95% for hydro | **Hedged share of rolling 10-year outright generation volume**<br>>25% by end of 2028 | **Ready-to-build pipeline for solar and onshore wind**<br>1.2 GW by end of 2028 |
| | **Optimisation premium for outright portfolio**<br>8-10 EUR/MWh for 2026<br>6-8 EUR/MWh for 2027– | **Customer satisfaction index (CSI)**<br>76 by end of 2028 | **New ready-to-deploy flexibility** [1)]<br>2.5 GW by end of 2028 |
| **2025 outcomes** | **Availability**<br>75% for nuclear<br>94% for hydro<br>**Optimisation premium**<br>9.7 EUR/MWh | **10-year rolling hedge ratio**<br>19%<br>**CSI**<br>76 | **Ready-to-build pipeline**<br>70 MW<br>Currently ~8 GW in permitting phase<br>**New ready-to-deploy flexibility**<br>730 MW |

1) Including customer assets (no capital expenditure requirement) and ongoing asset investments (350 MW).

In 2022, Fortum resolved to exit its Russian operations, with the primary aim to divest its assets. In April 2023, the Russian authorities seized control of Fortum's assets in Russia and deprived Fortum of its shareholder rights. Fortum has since lost all oversight and control over the assets and therefore fully financially impaired and deconsolidated the assets. Fortum is pursuing arbitration against Russia for the unlawful seizure of its assets and court proceedings to recover unpaid intercompany loans. Consequently, Fortum is no longer active in Russia and does not intend to return there. When possible and as a primary option, Fortum would continue the divestment process of its Russian assets.

# Financial results

## Sales by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 3,245 | 3,795 |
| Consumer Solutions | 3,029 | 3,073 |
| Other Operations | 187 | 596 |
| Netting of Nord Pool transactions [1] | -1,136 | -1,196 |
| Eliminations | -336 | -469 |
| **Total continuing operations** | **4,989** | **5,800** |

1) Sales and purchases with Nord Pool Spot are netted at Group level on a 15 minutes or an hourly basis depending on the market area and posted either as revenue or cost depending on whether Fortum is a net seller or net buyer during any particular 15 minutes or hour.

## Comparable EBITDA by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 1,098 | 1,421 |
| Consumer Solutions | 213 | 161 |
| Other Operations | -71 | -26 |
| **Total** | **1,240** | **1,556** |

## Comparable operating profit by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 893 | 1,218 |
| Consumer Solutions | 122 | 76 |
| Other Operations | -91 | -116 |
| **Total** | **924** | **1,178** |

## Operating profit by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 912 | 1,103 |
| Consumer Solutions | 127 | 122 |
| Other Operations | -100 | 100 |
| **Total** | **939** | **1,325** |

For further information see Note 6.

Sales decreased to EUR 4,989 (5,800) million, mainly due to lower power generation volumes and lower hedge power prices as well as the divestment of the recycling and waste business in 2024.

Comparable operating profit decreased to EUR 924 (1,178) million. The Generation segment results decreased to EUR 893 (1,218) million, mainly impacted by lower hydro and nuclear volumes and lower hedge power prices. The result for the Consumer Solutions segment increased to EUR 122 (76) million, reaching an all-time-high full-year result. The result was driven by improved gas margins in the enterprise business in Poland, improved electricity margins in the Nordics and cost synergies from brand mergers completed in 2024.

Operating profit for the period was impacted by EUR 15 (147) million of items affecting comparability, mainly related to fair-value changes of non-hedge-accounted derivatives and impairments. In the comparison period, items affecting comparability included the tax-exempt capital gain of EUR 176 million from the divestment of the recycling and waste business (Note 7).

Comparable share of profits of associates and joint ventures was EUR 28 (-30) million. In the comparison period, 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 a positive impact from co-owned TVO (Note 19).

Finance costs – net amounted to EUR -59 (55) million. In the comparable period, interest income includes EUR 19 million interest income relating to the Belgian income tax assessment and interest income from the settlement of a commercial dispute. Comparable finance costs – net amounted to EUR -54 (-36) million (Note 11 ).

Income taxes totalled EUR -173 (-239) million. The comparable effective income tax rate was 18.8% (19.1%) (Note 12).

Net profit after non-controlling interests was EUR 765 (1,164) million and comparable net profit was EUR 739 (900) 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 7.2).

Earnings per share were EUR 0.85 (1.30). Comparable earnings per share were EUR 0.82 (1.00) (Note 13).

# Financial position and cash flow

| EUR million | 2025 | 2024 |
|---|---|---|
| Interest expense | -157 | -226 |
| Interest income | 111 | 234 |
| Other financial expenses - net | -13 | 47 |
| **Finance costs - net** | **-59** | **55** |
| | | |
| Financial net debt | 1,479 | 367 |

## Cash flow

Net cash from operating activities decreased and totalled EUR 840 (1,392) million, mainly due to the lower comparable EBITDA and increased working capital.

Net cash from investing activities totalled EUR -614 (604) million. Capital expenditure amounted to EUR 499 (472) million. Acquisitions of shares totalled EUR 88 (33) million. This includes the acquisition of the Polish electricity solutions provider Orange Energia and project development portfolios for renewable power from Enersense and ABO Energy. In the comparison period, divestment of shares and capital returns of EUR 764 million mainly included the divestment of the recycling and waste business. Net cash from investing activities was impacted by a decrease in margin receivables of EUR 26 (386) million.

Net cash used in financing activities totalled EUR -1,461 (-2,043) million. The net repayments of interest-bearing liabilities totalled EUR 170 (975) million. The dividend of EUR 1,256 million for the year 2024, approved by the 2025 Annual General Meeting, was paid on 10 April. In 2024, the dividend was paid in two instalments, the first payment of EUR 520 million in April 2024 and the second payment of EUR 511 million in October 2024.

Liquid funds decreased by EUR -1,235 (decrease -47) million, and liquid funds at 31 December 2025 amounted to EUR 2,903 million.

For further details, see the 'Financing' section.

## Assets

At the end of 2025, total assets amounted to EUR 16,444 (17,307) million. The decline mainly reflects the dividend payment in April and the decrease in trade and other receivables reflecting lower power prices.

## Equity

Total equity amounted to EUR 8,620 (9,154) million. Equity attributable to owners of the parent company totalled EUR 8,539 (9,074) million. Equity was negatively impacted by the 2024 dividend payment of EUR 1,256 million and by the EUR 132 million fair valuation of cash flow hedges, partly offset by the EUR 765 million net profit for the period.

## Financing

The Group's financial position continues to be very solid. At the end of 2025, the Group's ratio for financial net debt-to-comparable EBITDA was at 1.2 times for the last twelve months.

In May, Fortum extended the maturity of the EUR 300 million green loan by one year to mature in June 2030. Additionally, in June, EUR 800 million bilateral revolving credit facility was refinanced to mature in June 2027 (with one year lender's extension option).

In December, EUR 800 million bilateral revolving credit facility maturing in January 2027, was refinanced with new maturity in January 2028.

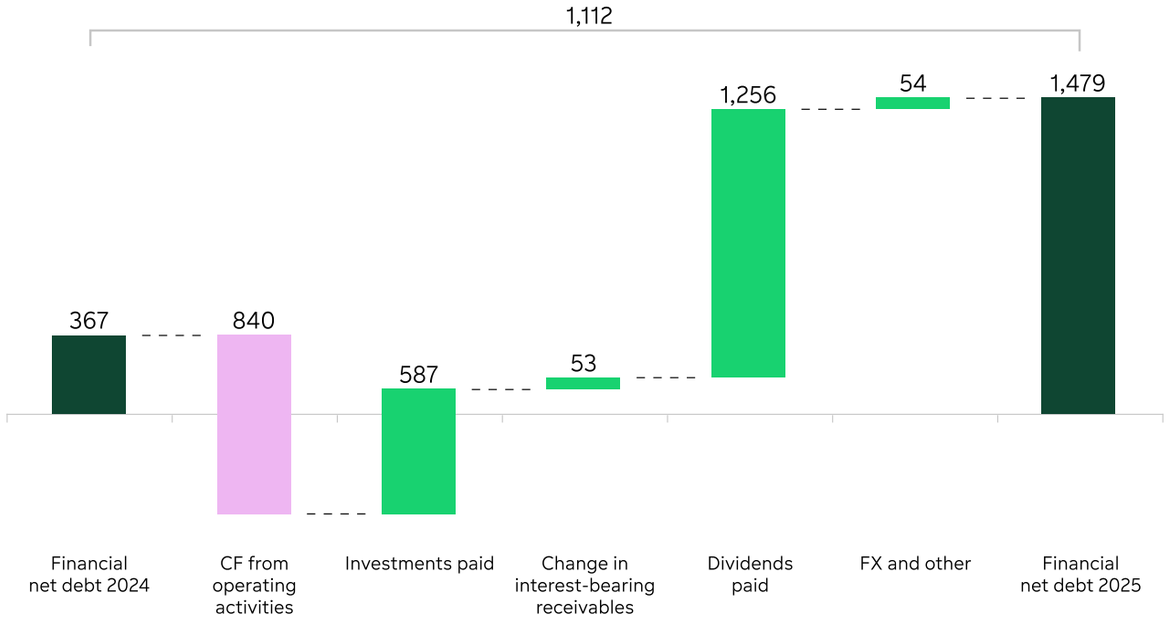
At the end of 2025, financial net debt was EUR 1,479 (367) million. Fortum's total interest-bearing liabilities were EUR 4,746 (4,828) million and liquid funds amounted to EUR 2,903 (4,136) million.

At the end of 2025, Fortum's long-term loans totalled EUR 4,274 million. Short-term loans amounted to EUR 366 million. (Note 27)

At the end of December 2025, Fortum had undrawn committed credit facilities of EUR 3,806 million. In addition, Fortum has committed overdraft limits of EUR 100 million that are valid until further notice.

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

## Change in financial net debt during 2025, EUR million




# Operating environment

## European power markets

During the fourth quarter, a moderate reservoir deficit at the start of the quarter turned gradually into a moderate surplus, putting some downward pressure on Nordic spot prices. However, in contrast to the previous year – when hydro reservoirs quickly moved into a significant surplus – lower wind speeds contributed to higher spot prices. At the end of the year, the Nordic reservoir balance was 6 TWh above the long-term average, Meanwhile, Continental European electricity prices developed sideways, as slightly softer gas prices were again offset by slightly lower-than-normal renewables output.

Continuously increasing non-industrial consumption has supported the Nordic power demand, although industrial demand shows some further slowdown, mainly in Sweden. According to preliminary statistics, during 2025, power consumption in the Nordic countries was 395 (394) TWh. Net power exports from the Nordics to Continental Europe and the Baltics were 42 (44) TWh.

During 2025, power consumption in Central Western Europe (Germany, France, Austria, Switzerland, Belgium and the Netherlands) increased and was 1,302 (1,287) TWh according to preliminary statistics. Power demand in Continental Europe was marginally below the five-year average, with the recovery progressing slowly. Demand continues to lag by approximately 60 TWh compared to levels before the energy crisis.

At the end of 2025, the reservoir levels were at 90 TWh, which is 6 TWh above the long-term average and 8 TWh lower than in the previous year. There was a moderate reservoir surplus in Sweden and a small reservoir surplus in Norway.

In 2025, the average system spot price in Nord Pool was 39.7 (36.1) EUR/MWh. The average area price in Finland was 40.5 (45.6) EUR/MWh. In Sweden, the average area price in the SE3 area (Stockholm) was 46.2 (35.8) EUR/MWh, and the price in the SE2 area (Sundsvall) was 16.5 (24.6) EUR/MWh. In Germany, the average spot price in 2025 was 89.3 (79.6) EUR/MWh.

In late January, the Nordic system electricity forward price on Nasdaq Commodities for the remainder of 2026 was around 58 EUR/MWh and for 2027 around 43 EUR/MWh. The Nordic water reservoirs were at 73 TWh, which is about 1 TWh above the long-term average and around 16 TWh below the level one year earlier. The German electricity forward price for the remainder of 2026 was around 94 EUR/MWh and for 2027 around 90 EUR/MWh.

## European commodity markets

During the  2025, natural gas prices declined, due to steady LNG and pipeline imports, mild weather and reduced supply risks which eased near-term market tightness and lowered the forward curve. Oil prices also eased in 2025, as weak demand growth and steady supply balanced out intermittent geopolitical risk premiums.

Gas consumption in Central Western Europe was 1,738 TWh in 2025. The Central Western European gas storage levels decreased from 448 TWh at the beginning of the year to 357 TWh at the end of the year, which is 91 TWh lower than one year ago and 102 TWh lower than the five-year average (2021–2025).

The average gas front-month price (TTF) was 36.3 EUR/MWh in 2025. The 2026 forward price decreased from 39.6 EUR/MWh at the beginning of the year to 25.5 EUR/MWh at the end of the year.

The EUA (EU Allowance) price increased from 75.2 EUR/tonne at the beginning of the year to 85.4 EUR/tonne at the end of the year.

The forward quotation for coal (ICE Rotterdam) for 2026 decreased from 117.0 USD/tonne at the beginning of the year to 95.2 USD/tonne at the end of the year.

In late January, the TTF forward price for gas for the remainder of 2026 was approximately 31.5 EUR/MWh. The forward quotation for EUAs for 2026 was around the level of 84.0 EUR/tonne. The forward price for coal (ICE Rotterdam) for the remainder of 2026 was around 97.0 USD/tonne.

## Power consumption

| TWh | 2025 | 2024 | 2023 |
|---|---|---|---|
| Nordic countries | 395 | 394 | 386 |

Current figures are preliminary statistics and may be revised. Final figures are disclosed in the comparatives.

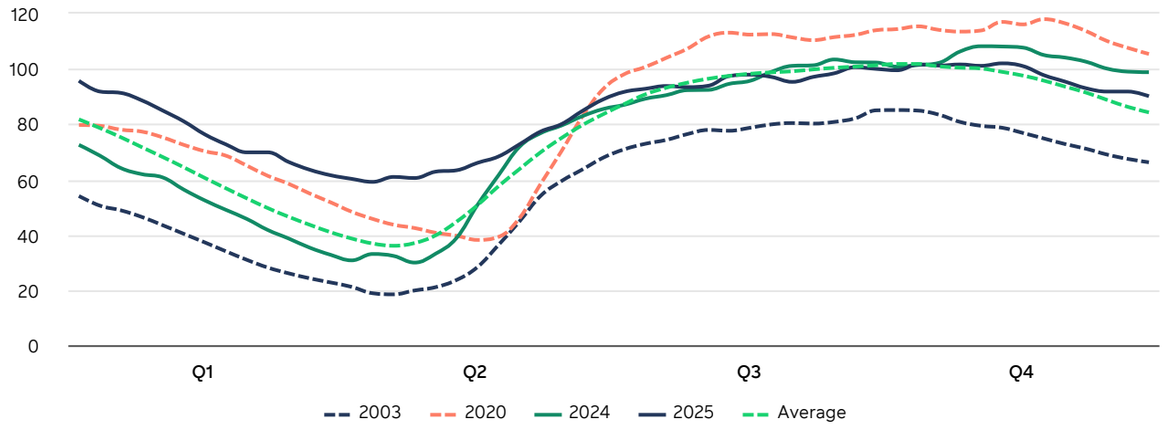
## Average prices

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Spot price for power in Nord Pool power exchange, EUR/MWh | 39.7 | 36.1 | 56.4 |
| Spot price for power in Finland, EUR/MWh | 40.5 | 45.6 | 56.5 |
| Spot price for power in Sweden, SE3, Stockholm EUR/MWh | 46.2 | 35.8 | 51.7 |
| Spot price for power in Sweden, SE2, Sundsvall EUR/MWh | 16.5 | 24.6 | 40.0 |
| Spot price for power in Germany, EUR/MWh | 89.3 | 79.6 | 95.2 |
| $CO_2$, (ETS EUA next Dec), EUR/tonne $CO_2$ | 75 | 67 | 85 |
| Coal (ICE Rotterdam front month), USD/tonne | 100 | 112 | 125 |
| Oil (Brent front month), USD/bbl | 68 | 80 | 82 |
| Gas (TTF front month), EUR/MWh | 35 | 35 | 41 |

## Hydro reservoir

| TWh | 31 Dec 2025 | 31 Dec 2024 | 31 Dec 2023 |
|---|---|---|---|
| Nordic hydro reservoir level | 90 | 99 | 77 |
| Nordic hydro reservoir level, long-term average | 84 | 84 | 84 |

**Nordic water reservoirs, energy content, TWh**




Source: Nord Pool

## Export/import

| TWh (+ = import to, - = export from Nordic area) | 2025 | 2024 | 2023 |
|---|---|---|---|
| Export / import between Nordic area and Continental Europe + Baltics | -42 | -44 | -41 |

Current figures are preliminary statistics and may be revised. Final figures are disclosed in the comparatives.

# Regulatory environment

## EU adopts measures to end imports of Russian energy

In December 2025, the European Parliament and the Council agreed on measures to end imports of Russian gas and to advance the phase-out of Russian oil. The objective is to reduce the EU's exposure to supply risks and market volatility associated with Russian fossil fuels and to support long-term energy security and stability.

Imports of Russian LNG will end by the end of 2026 and pipeline gas by autumn 2027, subject to limited and clearly defined derogations. In line with the regulation, the member states will be required to submit national diversification plans subject to the Commission's assessment. In addition, the Commission confirmed its intention to complete the phase-out of Russian oil imports by the end of 2027 and to adopt a legislative proposal to phase out imports of Russian nuclear materials, further extending the scope of EU action on Russian energy dependencies.

Fortum supports a coordinated phase-out of all Russian energy, including nuclear materials. Fortum has already diversified its nuclear fuel supply with Western-origin fuel at Loviisa 2 nuclear power plant since 2024. Given the time needed to design and license alternative fuels, Fortum supports increased investment in Western fuel-cycle capacities and cautions against immediate disengagement without viable alternatives.

## EU agrees on the 2040 climate target

In December 2025, the European Parliament and the Council reached a provisional agreement on amending the European Climate Law, establishing a binding 90% net greenhouse gas reduction target for 2040 compared to 1990 levels.

The new target consists of an 85% domestic emission reduction plus a 5% use of high-quality international emission reduction credits. The agreement also included a postponement of the emissions trading system for transport and buildings (ETS2) from 2027 to 2028. In order to respond to the concerns from many industrial sectors, the Commission is asked to consider a slower phase-out of free allowances in the 2030s.

Fortum welcomes the 2040 climate target as an important step towards the EU's long-term climate neutrality by 2050. Although the Commission's original proposal was diluted to some extent and several details are pending, the decision brings long-term visibility for investments in the clean transition.

## EU approves the sustainability Omnibus package

The EU aims to reduce regulatory burdens and boost competitiveness by streamlining existing legislation with several so-called Omnibus packages. The European Parliament and Council agreed on the Sustainability Omnibus package in December. The agreed package includes simplifications of the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD).

Fortum generally supports the objective of reducing companies' regulatory burden and improving their competitiveness. While reducing unnecessary administrative burden, Fortum believes, however, that the Omnibus package should have aimed to safeguard the objectives of the earlier sustainability legislation. The impacts of the package on Fortum will ultimately depend on the national implementation, though a reduction in reporting requirements is anticipated.

## Swedish TSO faces challenges to secure a capacity reserve

On 7 October, the Swedish TSO, Svenska Kraftnät, announced that the purchase of 800 MW back-up electricity capacity (so-called strategic reserve) for the 2025–2026 winter season had failed. All tenders received exceeded the maximum price cap of 10,900 EUR/MW as specified by the tender regulation. Lack of reserve capacity could have severe consequences, such as black outs and forced disconnect of consumers.

However, on 8 January 2026, the TSO announced an agreement securing 350 MW of strategic reserve mainly relying on Karlshamnsverket (330 MW), a fossil-fueled power plant in southern Sweden. This was enabled after a re-interpretation of the price cap concept. In Fortum's view, the regulatory framework needs to be revised in order to better provide for low-carbon or fossil-free alternatives.

## Finnish tax increase for data centres creates uncertainty for investors

In October, the government decided to increase the electricity tax on data centres from 0.05 cents/kWh to 2.24 cents/kWh, effective from July 2026. To compensate for the increase, the government stated in December that it will prepare a new subsidy mechanism, also effective from July 2026. The starting point is a fixed-term, ten-year tax refund subsidy based on the electricity consumed by the data centre. The maximum amount of the subsidy is EUR 30 million.

In Fortum's view, the tax increase sends a very negative signal about Finland as a stable investment environment for international and domestic investors. Data centres are part of critical infrastructure and play an important role not only in the digitalisation of society, but also in the clean transition. It is important that energy taxation and energy policies are predictable and supportive for clean transition investments.

## Preconditions for onshore wind power will change in Finland

In November, the government agreed on setting a new minimum distance requirement of 1.25 kilometres between wind turbines and residential buildings. The decision is part of the new Land Use Act, which aims to regulate the placement of wind power and facilitate construction. The government proposal will be submitted in early 2026. Previously, no specific distance was defined; instead, the distance was determined through modelling of wind turbine noise. In Fortum's view, tightening wind power regulation is not desirable; however, the new distance requirement is acceptable.

# Segment reviews

## Business model

Fortum has three reportable segments: Generation, Consumer Solutions and Other Operations. The organisation is focused on effectively carrying out the company's purpose and strategy. The business structure reflects the main value drivers in Fortum's portfolio of low-carbon generation, robust commercial expertise, and dedication to customer needs.

### Generation segment

The Generation segment consists of the Hydro Generation, Nuclear Generation, Corporate Customers and Markets as well as the Renewables and Decarbonisation business units.

#### Hydro Generation

The Hydro Generation business unit is responsible for operating, maintaining and developing Fortum's 4.7 gigawatt (GW) hydropower assets in Finland and Sweden. The unit's key value drivers include safe operations and the ability to optimise and increase the assets' flexibility and availability.

#### Nuclear Generation

The Nuclear Generation business unit operates, maintains and develops Fortum's fully-owned 1.0 GW Loviisa nuclear power plant, and it manages Fortum's ownership in the co-owned nuclear assets in Finland and Sweden with a share of 2.2 GW.

The business has significant in-house engineering competencies and it also offers expert services that cover the whole lifecycle of nuclear power plants, from newbuild to decommissioning and final disposal of nuclear waste fuel.

### Corporate Customers and Markets

The Corporate Customers and Markets business unit is responsible for working with Fortum's customers to create value and foster long-term partnerships, offering solutions that support decarbonisation and growth. The unit aims to secure Fortum's long-term success by encouraging power demand growth in the Nordic market. It also focuses on hedging and value creation in both physical and financial power markets and manages the supply for the Consumer Solutions unit.

### Renewables and Decarbonisation

The Renewables and Decarbonisation business unit is responsible for onshore wind and solar power business through project development and execution. The unit is also responsible for Fortum's district heating and cooling business and the decarbonisation of heat production assets. Furthermore, the business unit explores low carbon hydrogen in the Nordics.

## Consumer Solutions segment

The Consumer Solutions segment comprises the Consumer Solutions business unit, which is responsible for offering energy solutions to consumers and small- and medium-sized enterprises predominantly in the Nordics and Poland, including customer service and invoicing services. With its over 2 million customers, Fortum is the largest energy solution provider in the Nordics.

## Other Operations segment

Other Operations segment includes innovation and venturing activities, enabling functions and corporate management. Fortum's enabling functions are Finance, Sustainability and Corporate Relations, People, Legal and IT.

The segment also includes the remaining Circular Solutions businesses, mainly the battery recycling business.

# Generation

Generation is responsible for power generation mainly in the Nordics. The segment comprises 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. It is a customer interface for industrial and municipal customers to drive decarbonisation in industries and provide reliable energy at scale.

| EUR million | 2025 | 2024 |
|---|---|---|
| **Reported** | | |
| Sales | 3,245 | 3,795 |
| - power sales | 2,642 | 3,234 |
| of which Nordic outright power sales [1] | 2,062 | 2,302 |
| - heat sales | 533 | 502 |
| - other sales | 70 | 60 |
| Operating profit | 912 | 1,103 |
| Share of profit/loss of associates and joint ventures [2] | 56 | 22 |
| Capital expenditure and gross investments in shares | 501 | 355 |
| Number of employees | 2,139 | 2,053 |

| EUR million | 2025 | 2024 |
|---|---|---|
| **Comparable** | | |
| EBITDA | 1,098 | 1,421 |
| Operating profit | 893 | 1,218 |
| Share of profit/loss of associates and joint ventures [2] | 28 | -26 |
| Return on net assets (RONA), % | 11.8 | 16.0 |
| Net assets | 8,135 | 7,608 |

1) Nordic outright power sales includes hydro and nuclear 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 Accounting Standards adjustments (e.g. accounting for nuclear-related assets and liabilities) and depreciations on fair-value adjustments from historical acquisitions (Note 19).

## Power generation by source

| TWh | 2025 | 2024 |
|---|---|---|
| Hydropower, Nordic | 18.5 | 20.2 |
| Nuclear power, Nordic | 22.1 | 24.3 |
| Wind power, Nordic | 1.0 | 0.9 |
| CHP and condensing power [1] | 0.7 | 0.8 |
| **Total** | **42.3** | **46.2** |

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

## Nordic sales volume

| TWh | 2025 | 2024 |
|---|---|---|
| Power sales volume, Nordic | 52.4 | 58.9 |
| of which Nordic outright power sales volume [1)] | 40.1 | 43.8 |
| Power sales volume, Other | 0.6 | 0.6 |
| Heat sales volume, Nordic | 1.9 | 2.0 |
| Heat sales volume, Other | 3.6 | 3.2 |

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 | 2025 | 2024 |
|---|---|---|
| Generation's Nordic achieved power price [1)] | 51.4 | 52.5 |

1) The 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.

The Generation segment's total power generation decreased compared to the previous year. Hydro generation volumes decreased by 8% and nuclear volumes decreased by 9%. Fortum's hydro generation was clearly below the long-term historical average. The impact of the unplanned outages, mainly the extended outage at Oskarshamn's third unit, negatively affected nuclear generation volumes by 3.9 TWh in 2025. CHP and condensing power generation was slightly lower than in the comparison period. Heat sales volumes increased slightly, supported by colder weather in Poland.

The achieved power price was 51.4 EUR/MWh, a decrease of 2%, or 1.1 EUR/MWh. The slightly lower achieved power price was attributable to the lower hedge price outcome, which was partly offset by good physical optimisation. The blended spot power price in Fortum's generation price areas amounted to 38.5 EUR/MWh compared to 38.4 EUR/MWh in 2024.

Comparable operating profit decreased clearly, by EUR 325 million, or 27%, to EUR 893 million, impacted mainly by lower hydro and nuclear generation volumes, lower hedge power prices, higher property taxes for nuclear and hydro in Sweden, as well as higher nuclear fuel costs. The result contribution of the Pjelax wind farm was slightly positive but lower than in the comparison period, following lower power prices. In the comparison 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. The result of the district heating business increased, impacted mainly by lower fuel and $CO_2$ costs, write-downs related to coal exits in the comparison period, as well as higher heat price, partly offset by the impact from the lower sales price of power.

Operating profit was affected by EUR 18 (-115) million of items affecting comparability, mainly related to fair value change of non-hedge-accounted derivatives and impairments of assets in India. (Note 6).

Comparable share of profits of associates and joint ventures totalled EUR 28 (-26) million (Note 6).

In December 2024, 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 of approximately EUR 9 million on a cash and debt-free basis was paid at closing in the first quarter of 2025. 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.

On 11 February, Fortum announced that it had initiated a two-year feasibility study to explore prerequisites for new pumped hydro storage plants. Fortum will examine commercial, technological, environmental and regulatory conditions for new pumped hydro storage plants in Sweden. Any decisions about potential future investments would be made in due course. In Finland, Fortum's associated company Kemijoki Oy is exploring pumped storage hydropower plants in northern Finland.

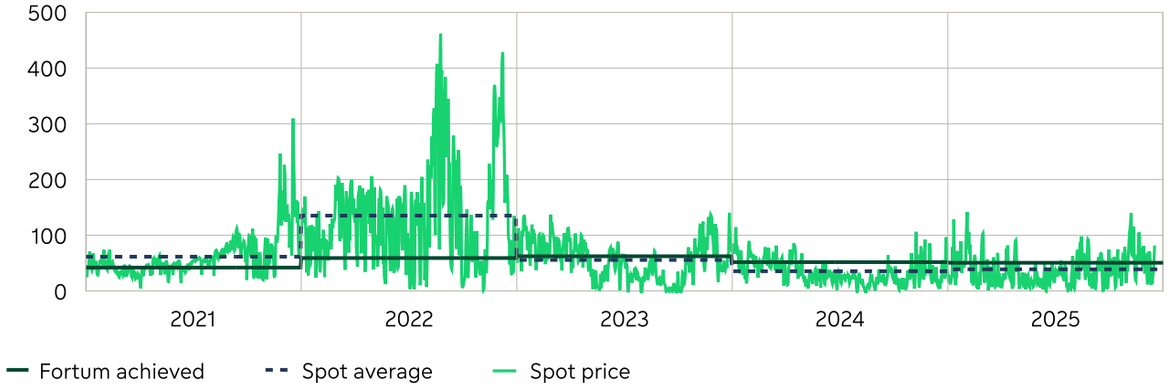
On 24 March, Fortum announced that it has concluded its extensive feasibility study exploring the commercial, technological, and societal prerequisites for new nuclear in Finland and Sweden. The study concluded, that with the current power market outlook, new nuclear is not economically viable on a merchant basis only. Fortum will continue to develop new nuclear as a long-term option to meet projected customer demand growth, but new nuclear could provide new supply to the Nordics earliest in the second half of the 2030s, if market and regulatory conditions are right.

In April, Fortum signed an agreement to sell its renewables development portfolio in India to Hexa Climate Solutions Pvt Ltd. The transaction was closed at the end of June.

On 29 October, Fortum announced that it is advancing its exit from coal by investing approximately EUR 85 million in the decarbonisation of the Zabrze combined heat and power (CHP) plant in Poland. The plant's retrofit with biomass and refuse-derived fuel (RDF) technology will decrease Fortum's coal-based capacity by 0.1 GW and annual direct fossil $CO_2$ emissions by approximately 280,000 tonnes. The investment will take place over a period from the fourth quarter of 2025 until the fourth quarter of 2027.

On 28 November, Fortum completed the acquisition of a project development portfolio from the German renewables developer and constructor ABO Energy. The acquired portfolio includes approximately 4.4 GW of onshore wind development projects at various stages in Finland. The purchase price on a cash and debt-free basis is approximately EUR 40 million and was paid at closing. In addition to the purchase price, the transaction includes earn-outs that will be paid subject to projects successfully reaching a final investment decision in the future. The estimated total purchase price, including future earn-outs, is approximately EUR 61 million. No investment commitments have been made, and any investment decision will depend on power market conditions with a special focus on power demand development from the industrial sector.

### Nord Pool, power price, 2021–2025, EUR/MWh




Source: Nord Pool, Fortum

## 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 | 2025 | 2024 |
|---|---|---|
| **Reported** | | |
| Sales | 3,029 | 3,073 |
| - power sales | 2,607 | 2,635 |
| - gas sales | 387 | 386 |
| - other sales | 35 | 53 |
| Operating profit | 127 | 122 |
| Capital expenditure and gross investments in shares | 78 | 71 |
| Number of employees | 1,134 | 1,118 |

| EUR million | 2025 | 2024 |
|---|---|---|
| **Comparable** | | |
| EBITDA | 213 | 161 |
| Operating profit | 122 | 76 |
| Return on net assets (RONA), % | 18.3 | 11.2 |
| Net assets | 718 | 725 |

### Sales volumes

| TWh | 2025 | 2024 |
|---|---|---|
| Electricity | 33.7 | 34.4 |
| Gas | 7.6 | 6.9 |

### Number of customers

| Thousands [1] | 2025 | 2024 |
|---|---|---|
| Electricity | 2,250 | 2,220 |
| E-mobility [2] | 30 | 40 |
| Gas | 40 | 40 |
| **Total** | **2,320** | **2,300** |

1) Rounded to the nearest 10,000.
2) Measured as average monthly paying customers for the quarter.

The electricity sales volume decreased by 2%, while the gas sales volume increased by 10%. The electricity sales volumes decreased, due to a reduced customer base and warmer weather in the Nordics. Higher gas sales volumes were driven by a larger customer base in the enterprise customers business in Poland. Total sales revenues decreased by 1%, due to lower electricity and gas prices both in the Nordics and in Poland.

Reaching an all-time-high level for the financial year, comparable operating profit increased by EUR 46 million, or 61%, to EUR 122 million. The improvement was mainly a result of improved gas margins in the enterprise customers business in

Poland, improved electricity margins in the Nordics and approximately EUR 13 million of cost synergies from the completed brand mergers, including Telge Energi.

On 30 June, Fortum completed the acquisition of the Polish electricity solutions provider Orange Energia Sp. z o.o. for a maximum of approximately PLN 120 million (EUR 28 million) on a cash and debt-free basis. Approximately PLN 90 million (EUR 21 million) was paid in cash. According to an agreed earn-out, the remaining amount will be settled by the beginning of 2029 based on achieved targets. The acquired customer portfolio of approximately 130,000 was included in Fortum's total number of customers from the second quarter onwards. Orange Energia financials are reported in Fortum's Consumer Solutions segment's comparable operating profit from the beginning of the third quarter of 2025.

## Other Operations

The Other Operations segment comprises innovation and venturing activities, enabling functions and corporate management. It also includes the remaining Circular Solutions businesses, mainly the battery recycling business.

| EUR million | 2025 | 2024 |
|---|---|---|
| **Reported** | | |
| Sales | 187 | 596 |
| - power sales | 0 | 5 |
| - heat sales | 0 | 25 |
| - waste treatment sales | 2 | 212 |
| - other sales | 185 | 355 |
| Operating profit | -100 | 100 |
| Share of profit/loss of associates and joint ventures | 0 | -3 |
| Capital expenditure and gross investments in shares | 39 | 90 |
| Number of employees | 1,278 | 1,295 |

| EUR million | 2025 | 2024 |
|---|---|---|
| **Comparable** | | |
| EBITDA | -71 | -26 |
| Operating profit | -91 | -116 |
| Share of profit/loss of associates and joint ventures | 0 | -3 |
| Return on net assets (RONA), % | -38.0 | -16.1 |
| Net assets | 297 | 222 |

Comparable operating profit improved by EUR 25 million, or 22%, and amounted to EUR -91 million, mainly due to the positive impact from divestments finalised in 2024 in the Circular Solutions business.

On 12 June, Fortum announced the conclusion of change negotiations in its Finance and Sustainability and Corporate Relations functions. The negotiations resulted in the reduction of 62 job positions in these functions, comprising retirements, transfers to other positions at Fortum, as well as lay-offs. The plans concerned approximately 640 employees in Finland, Sweden, Norway and Poland. The aim of the change negotiations and the enabling functions' reorganisation was to reflect Fortum's current business structure and operating model, improve efficiency and develop ways of working.

## Capital expenditures, divestments and investments in shares

In 2025, capital expenditures and investments in shares totalled EUR 617 (516) million. Capital expenditures were EUR 500 (483) million (Note 3 and Note 6).

| EUR million | 2025 | 2024 |
|---|---|---|
| **Capital expenditure** | | |
| Intangible assets | 64 | 81 |
| Property, plant and equipment | 436 | 403 |
| **Total** | **500** | **483** |
| | | |
| **Gross investments in shares** | | |
| Subsidiaries | 78 | 0 |
| Associated companies and joint ventures | 27 | 19 |
| Other investments | 12 | 14 |
| **Total** | **117** | **33** |

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, 38 | | 1,000 | |
| Espoo Clean Heat, Finland | Waste heat utilisation, | | 360 | | |
| Espoo and Kirkkonummi | electrified heating | | | | |
| Nuijala, Espoo | Electric boiler | | 50 | 300 | I/2026 |
| Czestochowa, Poland | Biomass | Decarbonisation | Decarbonisation | 100 | IV/2026 |
| Zabrze, Poland | Biomass, RDF | Decarbonisation | Decarbonisation | 85 | IV/2027 |
| **Maintenance** | | | | | |
| Hydro projects | Hydro | 42 | | | |

## Generation

### Growth capital expenditure

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 electricity. Investments related to the continuation of operations and lifetime extension will amount to an estimated EUR 1 billion during 2023–2050. Individual investment decisions related to the project will be made separately. 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. 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 supports the City of Espoo in achieving its goal of carbon neutrality by 2030, primarily through the decarbonisation of district heat production and distribution in the Espoo, Kauniainen and Kirkkonummi areas. 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 with 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 2025, EUR 101 million of the Espoo Clean Heat investments materialised, and, since the beginning of 2023, Fortum's investments in the programme totalled approximately EUR 232 million. The largest new sites are two plants in Espoo and Kirkkonummi, with electric boilers, heat pumps and, later, heat offtake from Microsoft's planned large-scale data centres, as well as a new electricity-based district heat production plant in the Nuijala area in Espoo. These plants' heat capacity will be 410 MW, and production began in the 2025–2026 heating season. The use of coal was discontinued in April 2024, more than a year ahead of schedule.

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 annual direct $CO_2$ 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.

On 29 October 2025, Fortum announced that it will invest approximately EUR 85 million in decarbonisation of the Zabrze combined heat and power (CHP) plant in Poland. The Zabrze plant's retrofit with biomass and refuse-derived fuel (RDF) technology will decrease Fortum's coal capacity by 0.1 GW to 0.8 GW and annual direct $CO_2$ emissions by approximately 280,000 tonnes. The investment will take place over a period from the fourth quarter of 2025 until the fourth quarter of 2027.

### 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 42 MW in total by 2031.

## 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.

# Research and development

Decarbonisation is at the core of Fortum's strategy and, alongside Fortum's current businesses, the company is carefully exploring and developing new sources of growth within low carbon energy solutions.

Fortum's goal is to be at the forefront of energy technology utilisation and application development. To accelerate innovation and the commercialisation of new offerings, Fortum strengthens its in-house innovation and venturing efforts and builds partnerships with leading global suppliers, technology and service companies, as well as research institutions and universities. Fortum makes direct and indirect investments in start-ups that have promising new innovations focused on decarbonisation, flexibility, or accelerate the transition towards a sustainable economy. Fortum also invests in technologies that support better utilisation of the current asset base and that can create new markets and products for Fortum. The company is continuously looking for emerging low carbon energy solutions and for solutions that increase resource and system efficiency.

Fortum is building a 2-MW hydrogen test facility in Loviisa. The construction started in 2024, with construction progressing throughout 2025 and commissioning initiated before year-end, enabling first hydrogen production in 2025. The facility is planned to operate during a fixed two-year period between 2026 and 2028. The total R&D investment in the pilot project is approximately EUR 17 million, and the research focus is on hydrogen plant safety, flexible and efficient operation, as well as optimization.

The Group reports its R&D expenditure on a yearly basis. In 2025, Fortum's R&D expenditure was EUR 36 (31) million, or 0.7% (0.5%) of sales.

| EUR million or as indicated | 2025 | 2024 | 2023 |
|---|---|---|---|
| Research and development expenditure | 36 | 31 | 56 |
| - of sales % | 0.7 | 0.5 | 0.8 |

## Changes in management

Karin Svenske Nyberg (M.Sc.) started as Executive Vice President, People and member of the Fortum Leadership Team on 1 May 2025. In addition, Kati Levoranta (LL.M., MBA) started as Executive Vice President, Legal, General Counsel and member of the Fortum Leadership Team on 1 June 2025.

## Annual General Meeting 2025

The Annual General Meeting of Fortum Corporation 2025 (AGM) was held at the Finlandia Hall in Helsinki, Finland, on 1 April 2025.

The AGM adopted the Financial Statements and the Consolidated Financial Statements for the financial period 1 January–31 December 2024. Further, the AGM resolved that a dividend of EUR 1.40 per share will be paid for the financial year that ended on 31 December 2024, which corresponds to EUR 1,256,170,251, and that the remaining part of the distributable funds will be retained in the unrestricted equity of the Company. The record date of the dividend payment was 3 April 2025, and the dividend was paid on 10 April 2025.

The AGM resolved to discharge from liability for the financial year 2024 all the persons who had served as members of the Board of Directors and as President and CEO during the year 2024.

The AGM resolved to approve the remuneration report for the Company's governing bodies for 2024 and to support the updated remuneration policy for the Company's governing bodies. These resolutions were advisory.

### Board of Directors

In accordance with the proposal of the Shareholders' Nomination Board, the AGM resolved, in addition to increasing the fixed annual fees, that the fixed fees for the Committee work, which previously had been in use, will be discontinued to streamline the remuneration structure. The following fixed annual fees will be paid to the Chair, Deputy Chair and the other members of the Board of Directors for the term that started at the end of the AGM 2025 and ending at the end of the AGM 2026:

The annual fee of the Chair, Deputy Chair and other members of the Board of Directors:

- Board Chair: EUR 155,000
- Board Deputy Chair: EUR 85,000
- Committee Chairs: EUR 85,000, in case that he/she does not simultaneously act as Chair or Deputy Chair of the Board of Directors
- Board Members: EUR 68,000.

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 in case 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 2025 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 will be paid fully in cash.

The AGM resolved that the Board of Directors consist of nine members, the Chair and the Deputy Chair included, and elected the following persons to the Board of Directors for a term ending at the end of the AGM 2026: Mikael Silvennoinen as Chair, Jonas Gustavsson as Deputy Chair, and Ralf Christian, Luisa Delgado, Marita Niemelä, Teppo Paavola, Johan Söderström and Vesa-Pekka Takala as members, and Stefanie Kesting as a new member.

### Auditor and sustainability reporting assurance provider

The AGM resolved that the fees of the auditors and the sustainability reporting assurance providers elected for the financial years 2025 and 2026 will be paid pursuant to the invoices approved by the Company.

The AGM re-elected audit firm Deloitte Oy as the Company's auditor and sustainability reporting assurance provider for the financial year 2025, with Jukka Vattulainen, APA, ASA, as the principal auditor and principal authorised sustainability auditor.

The AGM elected KPMG Oy Ab as the Company's auditor and sustainability reporting assurance provider for the financial year 2026, with Kirsi Jantunen, APA, ASA, as the principal auditor and principal authorised sustainability auditor.

### Charitable contributions

The AGM authorised 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 Annual General Meeting. As of 2 February 2026, EUR 347,500 of the authorisation for charitable or similar purposes and EUR 240,000 for incidental emergency relief was used.

No voting took place at the AGM. Based on the advance votes given prior to the meeting, the majority required by the Finnish Companies Act had voted in favour of all the proposals made to the AGM.

## Board decisions

At its meeting held after the Annual General Meeting, Fortum's Board of Directors elected, from among its members, Mikael Silvennoinen as Chair, and Luisa Delgado and Teppo Paavola as members to the People and Remuneration Committee. Furthermore, the Board elected Vesa-Pekka Takala as Chair and Mikael Silvennoinen and Stefanie Kesting as members to the Audit and Risk Committee. In addition, the Board elected Ralf Christian as Chair and Jonas Gustavsson, Marita Niemelä and Johan Söderström as members to the Technology and Investment Committee.

# Other major events during the reporting period

On 17 December, the Shareholders' Nomination Board of Fortum submitted its proposals to the Annual General Meeting 2026 to Fortum's Board of Directors.

On 15 December, the Board of Directors of Fortum Corporation decided to commence the 2026–2028 long-term incentive (LTI) plan for key employees and executives. The 2026–2028 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 reliable energy to customers, 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 new flexibility target seeks to increase Fortum's flexible capacity to benefit from power price volatility caused by intermittent renewable generation. The rewards related to the 2026–2028 LTI plan will be paid in the spring 2029, assuming that the performance targets are achieved. The 2026–2028 LTI plan will comprise a maximum amount of approximately 120 participants, including the members of the Fortum Leadership Team. The Board of Directors also decided to commence the 2026–2028 restricted share (RS) plan as a supplement to the LTI programme and reserve shares that potentially will be delivered in the spring 2029. The maximum amount of shares of the plan that may be delivered as a reward is expected to be approximately 750,000 shares for the 2026–2028 LTI plan and 80,000 shares for the 2026–2028 RS plan.

# Outlook

In the near term, the operating environment is impacted by strong geopolitical tensions, including US trade policies, which cause uncertainty and turbulence in the general economic outlook and may affect international production chains and commodity markets. Despite interest rate cuts, geopolitical risks, heightened uncertainty and reduced visibility may pose challenges to major industrial investments in the Nordics.

In the long term, electricity is expected to gain a significantly larger share of total energy consumption. The electricity demand growth rate will be influenced by factors such as macroeconomic and demographic development, improved energy efficiency, and decarbonisation through direct electrification of energy-intensive sectors, including various industries, data centres, transport, and heating and cooling, and, in the longer term, by green hydrogen.

## Hedging

At the end of year 2025, approximately 75% of the Generation segment's estimated Nordic power sales volume was hedged at 41 EUR/MWh for 2026, and approximately 55% at 40 EUR/MWh for 2027. Fortum's hedge ratios and prices comprise its outright nuclear, hydro and wind generation volumes. The reported hedge ratios are based on hedges and power generation forecasts of the Generation segment.

In November 2025, Fortum set a strategic target to have a hedged share of rolling 10-year outright generation volume of more than 25% by the end of 2028 (earlier target: >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 2025, the hedged share of the rolling 10-year outright generation volume was approximately 19%.

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 is mainly hedging with bilateral agreements, and the exposure on the futures exchange is clearly lower. Fortum continues to utilise dual channels for its hedging: bilateral contracts and trading on the futures exchange, depending on market liquidity and financial optimisation.

## 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 of hydro, nuclear and wind generation amounts to approximately 47 TWh. In 2025, Fortum's total outright generation volume amounted to 41.6 TWh. In 2026, nuclear generation volumes are expected to be in the range of 24–24.5 TWh.

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 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 (assuming annual generation volumes on a normal level).

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. For 2026, the annual optimisation premium included in the achieved power price for the whole outright portfolio is estimated to be approximately 8–10 EUR/MWh (previously 6–8 EUR/MWh). For 2027 and beyond, the guidance is 6–8 EUR/MWh. The optimisation premium depends on overall market conditions, level of volatility, and market prices for electricity and environmental value products. In 2025, Fortum's optimisation premium was 9.7 EUR/MWh.

The annual property tax in Sweden increased by approximately EUR 30 million starting from the year 2025. The new run-rate of approximately EUR 45 million is effective until the end of 2030, part of which is recorded as cost for power purchase of generation.

### Efficiency Improvements

Fortum reduced its annual fixed costs by EUR 100 million (excluding inflation) by the end of 2025 with 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. Fortum estimates that the new run-rate for its fixed cost base in 2026 will be approximately EUR 870 million, including the fixed cost increase of EUR 20 million in the Swedish property tax from 2025.

As part of the programme, total cost synergies materialising from the Consumer Solutions segment's 2024 brand mergers were approximately EUR 13 million in 2025. In addition, actions related to change negotiations in the Finance and the Sustainability and Corporate Relations functions earlier in the year contributed to the cost reductions. The negotiations resulted in the reduction of 62 job positions in these functions, comprising retirements, transfers to other positions at Fortum, as well as lay-offs.

Going forward, Fortum expects its Comparable operating profit to improve by EUR 330 million by 2030 compared to the base line of EUR 930 million. This improvement is based on own actions, for example improved fleet availabilities, efficiency improvements and organic growth. The improvement does not include impacts from capital expenditure, M&A or power price changes.

### Income taxation

The comparable effective income tax rate for Fortum is estimated to be in the range of 18–20% for 2026. 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

For the period of 2026–2030, Fortum's committed capital expenditure is expected to be approximately EUR 2.0 billion excluding acquisitions. This includes growth capex of approximately EUR 750 million in total and maintenance capex of approximately EUR 250 million per year. In addition, Fortum has potential to invest an additional EUR 2.5 billion until 2030, should attractive investment opportunities arise. For 2026, the total committed capital expenditure is expected to be approximately EUR 550 million excluding acquisitions.

## Legal actions

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 requested also Fortum and certain other parties to be joined in these proceedings. Fortum has objected to the arbitral tribunal's jurisdiction on several grounds. The arbitral tribunal has decided in a partial award issued in February 2025 that it has no jurisdiction to decide on claims against Fortum. The arbitral tribunal's partial award is final, and accordingly, the arbitration proceedings do not continue with respect to Fortum.

See also Financial statements Note 37 Legal actions and official proceedings.

## Events after the balance sheet date

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

# Risk management

## Risk management framework and objectives

Fortum's risk management framework is designed to support business in managing risks effectively and to ensure compliance with relevant regulations. The framework is described in internal documentation to ensure understanding of risk management. The framework defines the core principles, processes, and governance structures for managing risks that, if realised, could have a material adverse impact on Fortum's current or future business operations, reputation, personnel, environment, or third parties.

The risk management framework has been designed to support Fortum's Board of Directors, Audit and Risk Committee, Fortum's Leadership Team as well as the operative business in fulfilling their duties in relation to risk management. The objectives of the risk management systems are to:

- Support Fortum's Board of Directors and Fortum Leadership Team (FLT) in the development of the Group strategy,
- Support Fortum in strategy execution,
- Support Fortum in achieving agreed targets within the defined risk appetite so that Fortum's ability to meet financial commitments and maintain a strong investment grade rating of at least BBB is not compromised,
- Ensure the understanding of Fortum's material risks, opportunities and uncertainties
- Support the prevention of accidents, incidents and adverse impacts of Fortum's operations on employees or third parties (including health and safety, human and labour rights), the environment, Fortum's assets or reputation.

## Risk governance

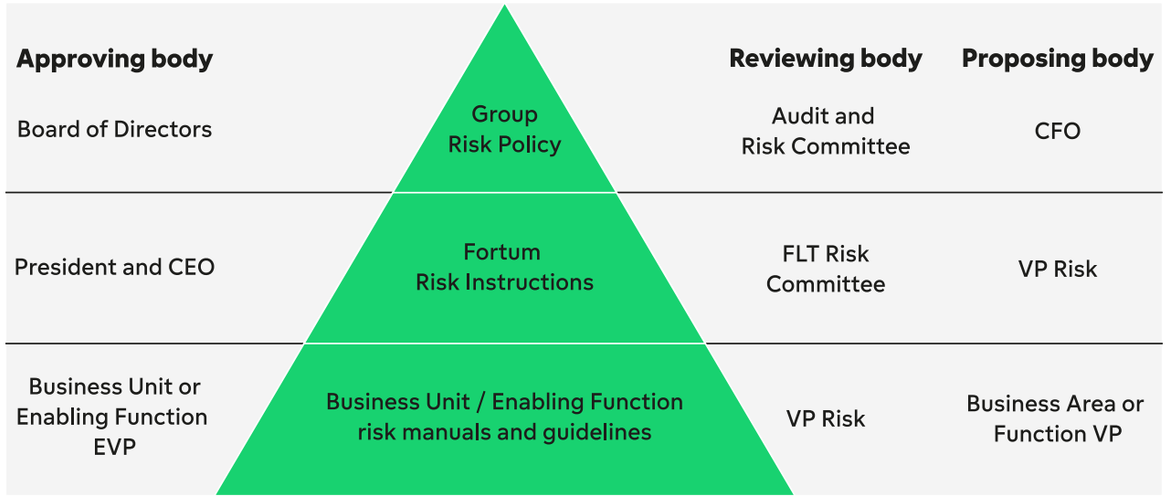
The main principle is that risks are managed at source, meaning that each manager is responsible for managing risks that arise within their business operations. For each risk, risk owners are assigned to ensure that appropriate mitigation actions are taken to respond to the risk.

Risk management in Fortum is overseen by the Board of Directors. The President and CEO of Fortum is responsible for ensuring the effective and comprehensive management of risks within the Group, and for maintaining risk-taking within the risk appetite defined by the Board. Fortum has committees supporting and monitoring risk management work. Fortum's Audit and Risk Committee (ARC) is responsible for monitoring the efficiency of the company's risk management systems, and for annually reviewing the Group Risk Policy and the Group's material risks, opportunities and uncertainties. Fortum Leadership Team's Risk Committee assist the President and CEO in duties related to ensuring the management of risks within Fortum.

Corporate Risk, an independent function headed by the Vice President, Risk reporting to the CFO, provides instructions, methods and tools which support the business in running an efficient risk management process. Corporate Risk is responsible for assessing and reporting on the maturity of risk management in the organisation and for monitoring and reporting of Fortum's material risk exposures to FLT Risk Committee, FLT, the ARC and the Board of Directors.

## Corporate risk policy structure

Fortum's Board of Directors approves the Group Risk Policy, and the President and CEO approves Fortum's risk management instructions covering enterprise risks, commodity market risks, counterparty and credit risks and liquidity risks applicable for all of Fortum. Fortum's Business Units and Enabling Functions issue risk manuals and guidelines, as needed, which detail how the Group Risk Policy and relevant risk management instructions are implemented within their organisations.

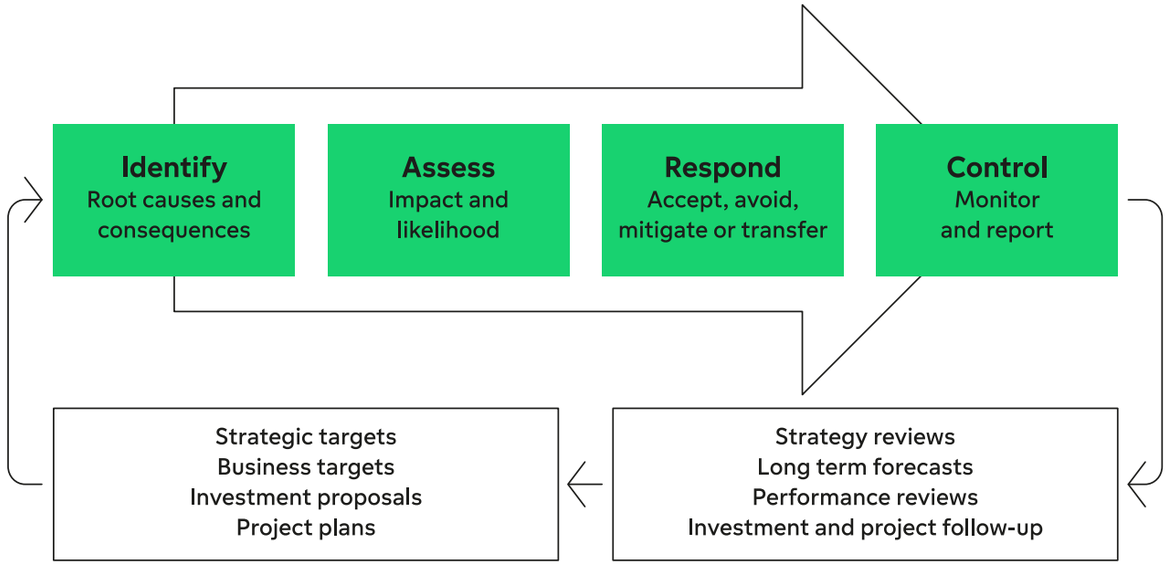


## Principle of continuous improvement

The risk management framework is developed in accordance with the principle of continuous improvement, aiming at an optimised and continuously developing risk management process. The maturity level of risk management in the organisation is evaluated annually, and Corporate Risk determines goals for the development of risk management based on the results of the assessment.

In accordance with Fortum's values, the importance of risk management is raised by increasing the personnel's risk awareness and highlighting the positive features of risk-aware decision-making.

## Risk management process




Fortum's risk management process consists of four main sub-processes; identification, assessment, response and control. The risk management process is linked to strategy and capital allocation, target setting and long-term forecasting and is an integrated part of operational and business management including investment processes and project management.

The risk management process is designed to support effective risk management and to ensure that risks are regularly monitored and followed-up. Identification is regularly carried out according to a structured process which includes analysis of root causes of the risk and consequences if the risk materialises. Risks are assessed in terms of impact and likelihood. Impact is assessed not only in monetary terms in relation to forecasted earnings and/or cash flows, but also in terms of impact to health and safety, social, the environment and Fortum's reputation, where relevant.

Risks are managed with a range of different actions, such as accept, avoid, mitigate or transferring of the risk. Choice of response action depends on the nature of the risk and the potential impact. Risk control processes and procedures, include validating, monitoring, aggregating and reporting risks. These processes are designed to ensure compliance with relevant external regulations and recommendations, as well as with internal policies, instructions, manuals and guidelines. This includes controls to ensure that risk exposures remain within approved risk appetite thresholds, limits and mandates which are defined for financial risks. These risk appetite thresholds includes cash liquidity, commodity market, and credit risk thresholds as well as balance sheet metrics.

## Risk environment

Fortum continues to be exposed to a number of financial, operational, strategic and hazard-related risks both directly and indirectly through its subsidiaries, associated companies, and joint ventures. The associated companies and joint ventures have their own risk management systems. The principal associated companies and joint ventures are Teollisuuden Voima Oyj, Forsmarks Kraftgrupp AB, OKG AB and Kemijoki Oy. For more information about these indirect risk exposures, please see each respective company's annual report. Fortum is also exposed to sustainability related impacts, risks and opportunities. For further information on material sustainability risks, see 2.2.2 Material impacts, risks and opportunities for climate change.


## Strategic risks

One of the key objectives in Fortum's strategy is to reduce the Group's strategic business risks. The Nordic power price exposure remains the single largest key driver and financial risk for Fortum, as Fortum's main generation assets are located in the Nordics. It is a key priority for Fortum to mitigate this market risk, including managing the related credit and liquidity risks from hedging this exposure. The main strategic risks are development of the business and/or regulatory environment in ways that have not been foreseen and prepared for.

Reputational risk may arise if Fortum does not meet its publicly communicated climate and biodiversity targets. Given that sustainability is a core element of Fortum's strategy and business operations, any perceived misalignment between stated commitments and actual performance could impact stakeholder trust, investor confidence, and the company's social license to operate.

Fortum is actively decarbonising operations in line with the transition plan (see 2.2.6. Transition plan for climate change mitigation), increasing the share of low-carbon energy generation, and developing renewable energy projects. Progress is monitored through regular performance assessments and transparent reporting. Fortum also engages in strategic partnerships to accelerate industrial decarbonisation and supports the development of low carbon energy solutions tailored to customer needs.

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, regulation and climate scenarios, as well as scenarios for how the current geopolitical situation develops, including the impact of these to Fortum's existing and potential new businesses, are regularly updated and used in the development of the strategy.

Risks which could hinder Fortum in executing its strategy are assessed and reported as part of regular strategy reviews.

### Business environment

Fortum operates in a global business environment, with main operational focus in the Nordic countries, and is therefore exposed to political and other risks which 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 disputes have worsened, increasing instability and insecurity in energy-producing regions, potentially disrupting energy supply chains and raising concerns about energy security. 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 intensified the trend of nationalistic policies and protectionism which may lead to further trade restrictions or sanctions, which, in turn, could affect the demand for Fortum's products and services,

production capabilities, asset values and access to financing. Fortum continuously monitors how the business environment develops in its operating countries in order to be able to react quickly to market shifts and changes in consumer behaviour.

## Investment and acquisition risks

Fortum continuously reviews its' business portfolio to identify strategic opportunities for acquisitions, investments and divestments. For divestments, potential candidates may be identified, but successfully executing such transactions can be challenging. Factors such as limited market competition, regulatory constraints—particularly those affecting foreign ownership—and other barriers may hinder divestment efforts or lead to lower-than-expected returns. Regarding acquisitions, competition for strategically aligned targets may drive up prices, potentially reducing their attractiveness to Fortum.

Risks related to acquisitions, divestments and investments are managed as part of the investment process of Fortum Group. Risks are identified, assessed, and mitigated according to internal procedures before investment decisions are made. Risks are monitored and followed up during the entire implementation phase. Risks in large investments are mitigated through contract structures and through transferring risks to insurance markets. Risk assessments of partners are performed before entering into joint ventures or other material partnership contractual agreements.

## Energy and climate policy and regulation risks

The energy sector is heavily influenced by EU-level and national energy and climate policies and regulations. Fortum's strategy has been developed based on scenarios of the future development of the regulatory environment in both existing and potential new businesses and markets. The overall complexity and possible regulatory changes in the various operating countries pose a risk if Fortum is not able to identify, anticipate and manage those changes efficiently.

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.

## EU and Nordics

National policies in the jurisdictions in which Fortum operates vary considerably when it comes to, for example, taxation, granting of permits, subsidies and market model, meaning that Fortum has to manage risks related to both EU regulation and national regulation in each of the countries in which it operates. Key risks related to the future development of energy and climate policies and regulatory framework development are described more closely below.

Reaching the agreed decarbonisation targets (EU and national) requires that the regulatory framework is technology-neutral and that support is offered to all needed technologies and that there is enough political and public acceptance for them. Although acceptance for technologies such as nuclear has increased on the EU-level, technology neutrality has not yet been implemented in legislative instruments, including EU financing instruments. The challenging political environment around the EU's climate ambition (especially 2040 climate target and related instruments) poses a risk for the long-term visibility and stability of the energy transition having negative impact on investment certainty. Additionally, the implementation of agreed legislation is still lagging behind in Member States, and crucial targets provided in e.g. REDIII that would incentivise hydrogen production have not been transposed in national legislation. Lack of effective incentives for industrial decarbonisation might also pose a risk to Fortum's growth possibilities. In response to industrial competitiveness concerns the EU has provided more flexibility for member states to support their industries with state aid. There is a risk that state aid competition will direct electrification investments outside the Nordics.

Growing acceptability issues relating to various energy forms and energy technologies create uncertainty and risks for planned investments. Increasing environmental requirements, e.g., in the context of the EU Nature Restoration Regulation or EU Water Framework Directive, could have negative consequences for the energy system, e.g. hydropower. In the context of the EU Taxonomy Regulation, the inclusion of Fortum's core technologies such as hydro- and nuclear power in the scope of the legislation is a positive development to ensure access to capital markets and future investments. However, the criteria for these technologies remains ambiguous and stricter than for other low-carbon or renewable technologies. In 2025, the European Commission started to conduct a systematic review of all the taxonomy's criteria. This could clarify the criteria for Fortum's core technologies, but may also lead to a debate on stricter taxonomy criteria.

National investment schemes and selective support systems for new renewable energy production may lower the profitability of incumbent electricity production and lead to market distortions because of increased grid costs since producers pay a large part of total grid costs. Fortum may suffer also from lower electricity prices since, all else equal, production that otherwise would not be profitable will come online. There is also a risk that the lack of Nordic power grid capacity buildout continues to keep high or even increases price area differences and lowers Fortum earnings and asset values in low price areas.

Tightening emission standards, restrictions or taxation of waste incineration and increasing tax burden on heating fuels can also negatively impact Fortum's targeted earnings in the future.

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.

The inter-linkage of these issues create uncertainty as changes in policies in one area could undermine the effects of policy changes in other areas.

## Technology risks

Fortum's strategy may include investing in new or not yet commercially viable technologies, such as hydrogen production, which will support the transition towards a future low-carbon economy as well as developing renewable energy concepts and innovative solutions for its customers. There are risks inherent in investing in new technologies including if and when these will become economically viable and protecting intellectual property rights. Technology risks are managed by assessing and monitoring the viability of new technology throughout the development cycle and selectively developing and investing in projects together with our partners.

## Hazard risks

Hazard risks can originate from natural or man-made events which can significantly disrupt operations, damage assets, or threaten business continuity. As a company operating critical energy infrastructure across multiple geographies, Fortum is exposed to a range of hazardous events including extreme weather, environmental incidents, industrial accidents, and other catastrophic disruptions.

### Business continuity

Business Continuity Management (BCM) is a critical component of Fortum's hazard risk management strategy. It ensures that Fortum can maintain or quickly resume essential operations in the face of disruptive events. Given Fortum's role in providing reliable energy services, any interruption can have wide-reaching consequences for customers, partners, and society at large. BCM at Fortum involves identifying business-critical functions, assessing vulnerabilities, and developing contingency measures to minimize unforeseen downtime and operational impact. The risks in BCM focus are often interconnected and complex. BCM enables Fortum to effectively prepare for, respond to, and recover from disruptive events.

### Catastrophes and Catastrophic asset failure

Fortum's assets are exposed to natural and man-made catastrophes which could cause asset failures. These can have significant financial consequences for Fortum, extending beyond immediate repair costs and can affect the profitability, cash flow, and long-term value creation. Fortum's industrial assets are mostly covered by insurance policies for property damage and business interruption risks which mitigates the financial impact of the events, should they occur.

### Extreme weather and climate change

Fortum's operations and assets are exposed to weather phenomenon, the frequency and magnitude of which may increase as a result of climate change. Extreme weather events and changes in precipitation, wind and temperature may affect power production as well as bioenergy supply and availability.

## Financial risks

### Commodity market and fuel risks

Fortum's business is exposed to fluctuations in prices and availability of commodities used in the production, transmission and sale of energy products. The main exposures are toward electricity prices and volumes, prices and volumes of emission allowances, and prices and availability of fuels. Fortum hedges its exposure to commodity market risks in order to improve predictability of future result by reducing volatility in earnings while ensuring cash flow risk is at an acceptable level. For further information on hedge ratios, sensitivities and outstanding derivatives contracts, see Note 4 Financial risk management.

#### Electricity price and volume risks

Fortum is exposed to electricity market price movements and volume changes mainly through its power and heat generation.

In the Nordics and Poland, market prices and the amount of profitable production exhibit significant variation due to weather conditions, outage patterns in production and transmission lines, $CO_2$ allowance prices, fuel prices, as well as the amount of electricity demand.

During 2025, turnover of financial electricity derivatives on the exchanges has increased, implying a return of volumes and counterparties to these trading platforms. Fortum remains active in the bilateral channels, as these contracts are enabling mitigation of derivates market liquidity risk. Provisioning the volumes between the exchanges and bilateral counterparties is balancing the cash liquidity and credit risk. The ability to efficiently implement hedging strategies is dependent on a well-functioning and liquid derivatives market.

In Poland TGE (Towarowa Giełda Energii S.A. i.e., Polish commodity exchange) is the main channel where the electricity and gas prices are hedged.

The energy- and commodity trading risk management objectives are set within the defined risk appetite in order to lessen the financial impacts of stressed conditions. Hedging strategies are continuously evaluated based on changes in commodity market prices, the hydrological balance and other relevant parameters. Hedging of the Generation segment's power sales is performed in EUR on a Nordic level, covering both Finland and Sweden, and the currency component of these hedges in the Swedish entity is currently not hedged.

#### Emission and environmental value risks

The EU has an emissions trading scheme in place to reduce the amount of $CO_2$ emissions. In addition to the emissions trading schemes, there are other trading schemes in environmental values in place in Sweden, Norway and Poland. Part of Fortum's power and heat generation is subject to requirements of these schemes.

The main factors influencing the prices of $CO_2$ emission allowances and other environmental values are political decisions, and the supply and demand balance. Fortum hedges its exposure to these prices and volumes through the use of $CO_2$ derivatives and environmental certificates.

#### Fuel prices and volume risks

Power and heat generation requires use of fuels that are purchased on global or local markets. The main fuels used by Fortum are uranium, waste-derived fuels, coal, biomass fuels, and natural gas.

The main risk factor for fuels that are traded on global markets, such as coal and natural gas, is the uncertainty in price. Prices are largely affected by demand and supply imbalances that can be caused by, for example, increased demand growth in developing countries, natural disasters or supply curtailments/fuel purchase constraints from political, social or labour unrest.

For fuels that are sourced on local or regional markets, such as biofuels, the volume risk in terms of availability of the raw material of appropriate quality is more significant as there may be a limited number of suppliers. The exposure to fuel price risk is mitigated through fixed-price physical delivery contracts as well as derivative contracts. During 2025 Fortum continued working to secure future reliable Western nuclear fuel supply to the Loviisa Nuclear power plant. Fortum continues

to monitor the nuclear fuel supply situation closely and prepares adapted mitigation measures to minimise the negative impacts to Fortum.

## Liquidity and refinancing risks

Fortum's business is exposed to liquidity and refinancing risks primarily through the need to finance business operations, including margining and collaterals issued for hedging activities. Trading derivative financial instruments exposes the Group to a liquidity risk associated with having to provide financial collaterals like cash or bank guarantees. Trading over-the-counter (OTC) 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. Higher and more volatile commodity prices increase the net margining payments toward clearing houses and clearing banks which are mainly settled in cash. Fortum mitigates this risk by entering into OTC derivatives contracts directly with bilateral counterparties without margining requirements. However, under Credit Support Annex agreements some foreign exchange- and interest rate hedges are collateralized and mark to market changes are impacting liquidity immediately. For non-collateralised foreign exchange deals the cash flow impact is realised when deals are maturing and rolled, typically during next 12 months period. The exposure to margining requirements and termination payments is continuously assessed and monitored so that adequate liquidity is available to cover expected future cash collateral required for margining. There are strict limits in place which ensure that there are sufficient liquid funds and credit lines available to cover margining requirements, termination payments, working capital changes as well as contingent collaterals in extreme market scenarios.

Fortum maintains a diversified financing structure in terms of debt maturity profile and debt instruments. Liquidity and refinancing risks are managed through a combination of cash positions and committed credit facility agreements. The credit risk of cash positions has been mitigated by diversifying the deposits to high-credit quality financial institutions and issuers of corporate debt.

Fortum is targeting to have a solid investment grade rating of at least BBB. A lowering of credit ratings, in particular to below investment grade level (BB+ or below) could trigger counterparties' rights to demand additional cash or non-cash collateral. A possible downgrade to below investment grade level would affect the access to the capital markets and increase the cost of new financing.

## Currency and interest rate risks

Fortum's debt portfolio consists of interest-bearing liabilities and derivatives on a fixed- and floating-rate basis with differing maturity profiles. Fortum is exposed to cash flow risk from changes in interest rates mainly from interest-bearing liabilities, liquid funds and derivatives on a fixed- and floating rate basis. Fortum manages the interest rate exposure through a weighted average repricing time target of the gross loan portfolio, excluding leasing liabilities and provisions, and cash flow at risk limit of the net loan portfolio. Fortum uses different types of financing contracts and interest rate derivative contracts to manage the interest rate exposure and evaluates and develops the strategies in order to find an optimal balance between risk and financing cost.

Fortum has cash flows, assets and liabilities in currencies other than EUR and is therefore exposed to fluctuations in exchange rates. Currency exposures are divided into transaction exposures (foreign exchange exposures relating to contracted cash flows and balance sheet items where changes in exchange rates will have an impact on earnings and cash flows) and translation exposure (foreign exchange exposure that arises when profits and balance sheets in foreign entities are consolidated at Group level).

The main translation exposure is toward EUR/Swedish Krona (SEK) arising from Fortum's extensive operations in Sweden. Fluctuations of the SEK, PLN and NOK against the EUR could have an adverse effect on future results and equity when consolidating and translating results and net investments to foreign subsidiaries and associated companies into euros. Translation exposures in Fortum are generally not hedged as the majority of these assets are considered to be long-term strategic holdings.

Transaction exposure arises mainly from physical and financial trading of commodities, existing and new investments, external and internal financing and shareholder loans within Fortum. Fortum hedges major transaction exposures on a local level in the reporting currency of each legal entity in order to avoid exchange differences in the profit and loss statement. An exception is the Generation segment's hedging of power sales in Sweden where the currency component is not hedged.

A centralised treasury function coordinates currency risk management and executes external hedges consisting of currency derivative contracts which are matched against the underlying future cash flow according to maturity. Derivatives are used exclusively to hedge existing foreign exchange risks, not for proprietary trading.

## Counterparty and credit risks

Fortum is exposed to counterparty risk whenever there is a contractual arrangement with an external counterparty including customers, suppliers, partners, banks, clearing houses and trading counterparties.

Credit risk exposures related to hedging arise through physical delivery contracts and financial derivative instruments. These credit risk exposures are volatile and include both the replacement risk and the settlement risk. Exchange-traded derivatives are cleared through central clearing parties (CCPs) or through clearing banks, while OTC derivative contracts are concluded directly with a number of different counterparties including energy wholesalers and retailers, utilities, trading companies, industrial end-users and financial institutions active in the financial and energy markets. Due to Fortum's net short position in Nordic power hedges, credit exposure tends to increase with the value of hedges if Nordic power prices decrease.

Due to the Group's financing needs and management of liquidity, Fortum has counterparty credit exposure toward a number of banks and financial institutions. The majority of the exposure is toward Fortum's key relationship banks, which are highly creditworthy institutions.

Credit risk exposures related to customers and suppliers are spread across a wide range of industrial counterparties, energy companies, government and municipal entities, utilities, small businesses, housing associations and private individuals over a range of geographic regions.

Fortum has routines and processes to identify, assess and control credit exposure. Credit checks are performed before entering or renewing commercial obligations and exposure limits are set for larger individual counterparties as well as for counterparty groups. Creditworthiness is monitored through the use of internal and external sources so that mitigating

actions can be taken when needed. Mitigating actions include demanding collateral, such as guarantees, managing contract terms and contract length and the use of netting agreements.

### Tax risk

Tax risk refers to the uncertainty or risk associated with clarities, errors, failure in controls or disagreements in the interpretation of applicable tax laws and tax authority guidance. It equally relates to challenges and risks with changes in operations, long-term profitability or changes in tax laws or fiscal policies in one or multiple countries which could result in increased charges or financial loss. Fortum faces these risks in multiple countries. These risks may materialise through a tax authority-initiated process followed by a legal process in one or multiple jurisdictions with a court confirming valid interpretation of local or EU law or tax treaties. In case multiple countries are involved, it may result in a mutual agreement process defining the final stand in the case. A legal process may result in a tax assessment of deductibility, income recognition or applicable tax rate on withholding in a business transaction. Risk may materialise also by a revaluation of tax-related assets, so called deferred tax assets, and liabilities due to changes in operations or tax law. The risks may equally realise through national or EU fiscal policies that are drafted without considering the impacts. The resulting tax burden may be unexpected and not in line with the set objective.

Mitigating actions are seeking tax predictability for the business operations in all our operating countries. In order to do so, Fortum follows Board approved tax governance guidance which sets the frame for tax management in line with our commitment to responsible tax management. As concrete risk mitigation actions, Fortum aims to contribute actively to drafting new tax regulation as part of responsible tax management, have taxes to be considered early in the business process, simplify legal structures, move towards digital solutions in compliance, seek strategic clearance from tax authorities and maintain transparency towards key stakeholders. Further information is provided in the Tax Footprint statement issued by Fortum annually.

## 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 can endanger personnel safety or lead to negative monetary, safety, environmental, reputational 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.

### People, systems and process risks

People risks include an inability to attract and retain the right competences, risks due to the loss of special skills, risk of failure in cultural renewal and risks due to errors on the part of employees who have not been sufficiently trained or who are not sufficiently qualified. In order to reduce people risks, Fortum invests in the development and distribution of skills and succession planning. In addition, the existing compensation system for employees is regularly reviewed and adjusted.

Fortum strives to be a safe workplace for the employees, contractors and service providers who work for the company. Assessment of the occupational health and safety risks is based on requirements in the operational health and safety standard (ISO 45001). Social and human rights risks related to the supply chain, are evaluated through counterparty risk assessments, country risk assessments, supplier qualifications as well as internal and external audits.

Process risks are mainly caused by design failures or human errors. Mitigation includes digitalisation, process automation, testing and education. Process-related risks are assessed and controls for the most relevant risks are defined and implemented as part of the internal controls framework. Risk management of the IT systems is based on an IT Service Lifecycle Model and related processes and practices have been developed using reference frameworks such as Control Objectives for Information Technologies (COBIT) and Information Technology Infrastructure Library (ITIL). Business continuity plans are in place for business-critical processes.

### Property, plant and equipment

Operational events at power and heat generation, fuel handling and circular economy service facilities can lead to environmental and physical damages, business interruption, clean-up costs and third-party liabilities. These events can affect both Fortum's own assets as well as joint ventures. Property, plant and equipment risks are primarily managed through condition monitoring and maintenance planning. Fortum does not have operational control in joint ventures, instead the joint ventures are responsible for managing their risks. In addition, Fortum's industrial assets are covered by insurance policies for property damage and business interruption risks which mitigates the impact of internal and external events, should they occur.

#### Hydro power

Fortum has a large number of hydro power plants and dams in the Nordics. A dam breach is a serious accident with the threat of significant damage downstream. A long-term programme is in place for improving the surveillance of the condition of dams, and for securing the discharge capacity in extreme flood situations. Third-party liabilities from dam failures are strictly the plant owner’s responsibility. Together with other hydro power producers, Fortum has a shared dam liability insurance programme in place that covers Finnish and Swedish dam failure liabilities up to SEK 10 billion (approximately EUR 1 billion).

#### Nuclear power

Fortum owns and operates the Loviisa nuclear power plant and has minority interests in one Finnish and two Swedish operational nuclear power companies. Any severe accident or nuclear release in nuclear power plants could lead to high costs, environmental damages and third-party liabilities. Both in Finland and Sweden, the assessment and improvement of nuclear safety is a continuous process performed under the supervision of the Radiation and Nuclear Safety Authority of Finland (STUK) in Finland and the Swedish Radiation Safety Authority (SSM) in Sweden.

Owners of nuclear facilities in Finland and Sweden have statutory liabilities for damages resulting from accidents occurring in those nuclear facilities and for accidents involving any radioactive substance connected to the operation of those facilities. Third-party liability related to nuclear accidents is strictly under the plant operator’s responsibility and must be covered by insurance or other financial cover. In Sweden and Finland, legislation requires that operators of nuclear power plants need to have a liability insurance or other financial cover in the amount equivalent to EUR 1.2 billion per site.

In both Finland and Sweden, the future costs of the final disposal of spent fuel, the management of low and intermediate-level radioactive waste and the decommissioning of the radioactive part of the nuclear power plant are provided for by a state-established fund to which nuclear power plant operators contribute. Contributions to these funds should be sufficient to fully cover expected costs for handling all the produced radioactive waste, but the possibility exists that future costs could exceed currently estimated fund provisions. If this were to occur, Fortum would be responsible for any such excess costs in relation to its share of operations and assets.

In November 2022, Fortum signed an agreement with the U.S.-based Westinghouse Electric Company for the design, licensing, and delivery of a new type of nuclear fuel for the Loviisa power plant. The new fuel type and cooperation with Westinghouse ensure a reliable Western alternative for fuel deliveries to the Loviisa power plant. Fortum loaded the first batch of Westinghouse-supplied fuel into Reactor 2 during the 2024 annual maintenance. This year, the introduction of the new fuel continued with additional Westinghouse fuel loaded into Unit 2. A significant portion of the fuel loaded into the Loviisa power plant is now of entirely Western origin.

### Asset project risks

Fortum's business activities involve construction, modernisation, maintenance and decommissioning of power plants and other energy industry facilities. There is a risk that construction costs exceed planned costs or that construction delays occur as a result of regulatory or permit issues or failure of key suppliers, being unable to obtain permits. Asset projects also face environmental, health and safety risks. Asset project risks may realise both for Fortum's own assets projects, or projects carried out through joint ventures or associated companies.

Managing asset project risk is an integral part of every project. Project managers are responsible for ensuring that project-related risks which may lead to delays, increased costs, negative impacts to the environment or which could jeopardise the health and safety of personnel and contractors are identified and assessed, and that actions are taken to minimise such risks.

## Security and Cyber and information security risks

Fortum's business operations and customer-related services are dependent on well-functioning IT, communications and information management systems and processes. Due to the nature of the business, large amounts of data are processed, often in real-time, and used for operating critical infrastructure, including energy production, hedging decisions, serving customers and in internal and external communication and reporting.

Like all operators of critical infrastructure, Fortum is increasingly exposed to cyber security risks, including risks related to information technology (IT) and operational technology (OT) systems, digitalisation and privacy. Also, physical threats like sabotage against Fortum's assets are possible and can have material impacts. Due to the ongoing war in Ukraine, the overall probability of cyber and other security risks remains elevated.

In 2025, the focus has been on improving preparedness and resilience, covering both cyber and physical security, including proof-of-compliance to meet newly introduced EU-level security legislations. Evolving security landscape is continuously monitored in close cooperation with relevant authorities and partners. Fortum has strengthened its resilience by embedding security into governance, enhancing awareness, securing the supply chain, and improving incident detection and response.

## Environmental risks

Operating power and heat generation plants and circular economy services involves the usage, storage and transportation of fuels and materials, including hazardous waste, which can have adverse impacts on the environment and expose personnel, contractors and third parties to safety risks. Assessment of environmental risks and preparedness to operate in exceptional and emergency situations follows legislative requirements as well as the requirements in the environmental management standard (ISO 14001).

## Governance risks

Fortum's operations are subject to laws, rules and regulations set forth by the relevant authorities, exchanges and other regulatory bodies in all markets in which Fortum operates. Fortum aims to comply with all relevant laws, rules and regulations, but the ability to operate in certain countries may be affected by future changes to local laws and regulations.

Fortum promotes transparent and compliant corporate culture through its values, the Code of Conduct and the implementation of these through, e.g., communication and training. Fortum's Code of Conduct and Supplier Code of Conduct stress the importance of business ethics for all employees, contractors and partners. Zero tolerance for corruption and bribery is highlighted in the Code of Conduct and Supplier Code of Conduct. In addition, Fortum's instructions and guidelines cover relevant compliance areas, including anti-bribery, compliance management, safeguarding company assets, conflict of interest, anti-money laundering, economic sanctions and competition law. Regarding economic sanctions, Fortum has developed monitoring to follow applicable sanction regimes (EU, US, UK and UN) and relevant internal controls have been integrated to business processes to ensure compliance. Fortum has procedures for anti-corruption including prevention, oversight, reporting and enforcement based on the requirements prescribed in international legislation. The Supplier Code of Conduct, which is based on the ten principles of the United Nations Global Compact, defines sustainability, business ethics, human rights and environmental requirements for suppliers of goods and services.

Since Fortum trades financial instruments, it is exposed to risks arising from the implementation and amendment of financial market regulations and directives, such as the European Market Infrastructure Regulation (EMIR) and the Regulation on Energy Market Integrity and Transparency (REMIT).

Fortum's operations in a variety of jurisdictions expose Fortum to various legal risks. These mainly comprise risks arising from threatened or pending legal proceedings regarding contract and price adjustments in connection with long-term supply or sales contracts, licensing matters, liabilities arising from acquired companies, as well as supplier disputes or disputes related to investment agreements.

Fortum systematically identifies, assesses, mitigates and reports compliance risks, including risks related to business ethics, as part of the compliance management and risk management processes. Effective internal controls are a key mitigating activity and have been implemented to prevent the possibilities of unauthorised activities or non-compliance with relevant policies and instructions. Furthermore, continuous training and communication play a key role in increasing the awareness and ensuring the understanding of the importance of business ethics and compliance in the organisation. Regular trainings include mandatory e-learnings to ensure coverage throughout the organisation.

# Fortum share and shareholders

Fortum Corporation's shares have been listed on Nasdaq Helsinki since 18 December 1998. The trading code is FORTUM. Fortum Corporation's shares are in the Finnish book entry system maintained by Euroclear Finland Ltd which also maintains the official share register of Fortum Corporation.

## Share key figures

| EUR | 2025 | 2024 | 2023 |
|---|---|---|---|
| Earnings per share, total Fortum | 0.85 | 1.30 | -2.31 |
| Earnings per share, continuing operations | 0.85 | 1.30 | 1.68 |
| | | | |
| Comparable earnings per share, total Fortum | 0.82 | 1.00 | 1.32 |
| Comparable earnings per share, continuing operations | 0.82 | 1.00 | 1.28 |
| | | | |
| Cash flow per share, total Fortum | 0.94 | 1.55 | 2.03 |
| Cash flow per share, continuing operations | 0.94 | 1.55 | 1.91 |
| | | | |
| Equity per share | 9.52 | 10.11 | 9.40 |
| | | | |
| Dividend per share [1] | 0.74 [2] | 0.90 | 1.15 |
| Special dividend per share | — [2] | 0.50 | — |
| Total dividend per share | 0.74 [2] | 1.40 | 1.15 |
| | | | |
| Payout ratio, % | 90 [2] | 90 | 90 |
| Total payout ratio, % | 90 [2] | 140 | 90 |
| | | | |
| Dividend yield, % | 4.1 [2] | 10.4 | 8.8 |

1) Dividend according to dividend policy.
2) Board of Directors' proposal for the planned Annual General Meeting 31 March 2026.

For full set of share key figures, see the section Key figures in the Financial Statements.

## Share price performance and volumes

Fortum's share price has depreciated approximately 8% during the last five years, while Dow Jones European Utility Index has increased approximately 27%. During the same period Nasdaq Helsinki Cap index has increased approximately 19%. During 2025 Fortum's share price appreciated approximately 35%, while Dow Jones European Utility index increased approximately 29% and Nasdaq Helsinki Cap index increased approximately 30%.

In 2025, a total of 357.3 million (2024: 433.4) Fortum Corporation shares, totalling EUR 5,602 million, were traded on Nasdaq Helsinki. The highest quotation of Fortum Corporation shares during 2025 was EUR 20.38, the lowest EUR 12.25, and the volume-weighted average EUR 15.67. The closing quotation on the last trading day of the year 2025 was EUR 18.18 (2024: 13.52). Fortum's market capitalisation, calculated using the closing quotation of the last trading day of the year, was EUR 16,312 million (2024: 12,127).

In addition to the Nasdaq Helsinki, Fortum shares were traded on several alternative market places, for example at Cboe and Turquoise, and on the OTC market. During 2025, approximately 68% (2024: 69%) of Fortum's shares were traded on markets other than the Nasdaq Helsinki Ltd.

## Share capital

Fortum Corporation has one class of shares. By the end of 2025, a total of 897,264,465 shares (2024: 897,264,465) had been issued. Each share entitles the holder to one vote at the Annual General Meeting. All shares entitle holders to an equal dividend. At the end of 2025 Fortum Corporation's share capital, paid in its entirety and entered in the trade register, was EUR 3,046,185,953.00.

## Shareholders

At the end of 2025 the Finnish State owned 51.26% of the company's shares. The Finnish Parliament has authorised the Government to reduce the Finnish State's holding in Fortum Corporation to no less than 50.1% of the share capital and voting rights.

The proportion of nominee registrations and direct foreign shareholders was 25.3% (2024: 22.0%).

## Shareholders, 31 December 2025

| Shareholders | No. of shares | Holding % |
|---|---|---|
| Finnish State | 459,902,988 | 51.26 |
| Ilmarinen Mutual Pension Insurance Company | 19,475,000 | 2.17 |
| Varma Mutual Pension Insurance Company | 13,218,981 | 1.47 |
| Elo Mutual Pension Insurance Company | 10,703,000 | 1.19 |
| Municipality of Kurikka | 6,203,500 | 0.69 |
| The State Pension Fund | 4,700,000 | 0.52 |
| The Finnish Social Insurance Institution | 3,572,896 | 0.40 |
| OP-Henkivakuutus Ltd. | 2,132,693 | 0.24 |
| OP-Finland Fund | 1,738,344 | 0.19 |
| Seligson & Co OMX Helsinki 25 Exchange Traded Fund (ETF) | 1,552,080 | 0.17 |
| OP-Finland Index Fund | 1,547,345 | 0.17 |
| Nordea Pro Finland Fund | 1,481,636 | 0.17 |
| Nordea Bank Abp | 1,261,736 | 0.14 |
| Keele Oy | 1,000,000 | 0.11 |
| Evli Finland Select Fund | 960,000 | 0.11 |
| Nominee registrations and direct foreign ownership | 226,650,345 | 25.26 |
| Other | 141,163,921 | 15.73 |
| **Total** | **897,264,465** | **100.00** |

| By shareholder category | % of total amount of shares |
|---|---|
| Finnish shareholders | |
| Corporations | 1.61 |
| Financial and insurance institutions | 1.97 |
| General government | 57.85 |
| Non-profit organisations | 0.79 |
| Households | 12.52 |
| Non-Finnish shareholders | 25.26 |
| **Total** | **100.00** |

## Breakdown of share ownership, 31 December 2025

| Number of shares owned | No. of share-holders | % of share-holders | No. of shares | % of total amount of shares |
|---|---|---|---|---|
| 1–100 | 88,176 | 42.67 | 3,710,793 | 0.41 |
| 101–500 | 70,061 | 33.90 | 18,085,513 | 2.02 |
| 501–1,000 | 23,264 | 11.26 | 17,222,145 | 1.92 |
| 1,001–10,000 | 23,883 | 11.56 | 62,058,885 | 6.92 |
| 10,001–100,000 | 1,197 | 0.58 | 24,963,595 | 2.78 |
| 100,001–1,000,000 | 67 | 0.03 | 17,973,309 | 2.00 |
| 1,000,001–10,000,000 | 9 | 0.00 | 24,190,230 | 2.70 |
| over 10,000,000 | 4 | 0.00 | 503,299,969 | 56.09 |
| | **206,661** | **100.00** | **671,504,439** | **74.84** |
| In the joint book-entry account and in special accounts on 31 December | | | 596 | 0.00 |
| Nominee registrations | | | 225,759,430 | 25.16 |
| **Total** | | | **897,264,465** | **100.00** |

## Management shareholding 31 December 2025

At the end of 2025, the President and CEO and other members of the Fortum Executive Management owned a total of 232,366 shares (2024: 229,623) representing approximately 0.03% (2024: 0.03%) of the total shares in the company.

A full description of the shareholdings and interests in long-term incentive schemes of the President and CEO and other members of the Fortum Executive Management is shown in Note 10.

## Dividend policy

The dividend policy ensures that shareholders receive a fair remuneration for their entrusted capital, supported by the company's long-term strategy. At the beginning of March 2023, the Fortum Board of Directors resolved on Fortum's new strategy including a new dividend policy – a payout ratio of 60–90% of comparable EPS. At the beginning of February 2024 the Fortum Board of Directors resolved on clarifications to the dividend policy; 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.

## Dividend distribution proposal

The distributable funds of Fortum Corporation as at 31 December 2025 amounted to EUR 6,769,857,747, including the profit for the financial year 2025 of EUR 253,472,257.

The Board of Directors proposes that a dividend of EUR 0.74 per share be paid for the financial year 2025, which corresponds to 90% payout of the Group's comparable earnings per share (EPS) of EUR 0.82.

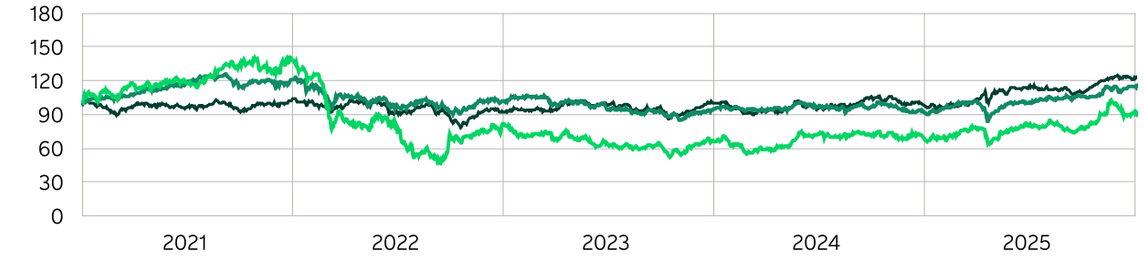
In Fortum's dividend policy, the payout ratio is 60–90% of the Group's comparable EPS. In situations with strong balance sheet and low investments, Fortum applies the upper end of the range of the payout ratio.

Based on the number of shares registered as at 2 February 2026, the total amount of dividend would be EUR 663,975,704. The Board of Directors proposes that the remaining part of the distributable funds be retained in the unrestricted equity of the Company.

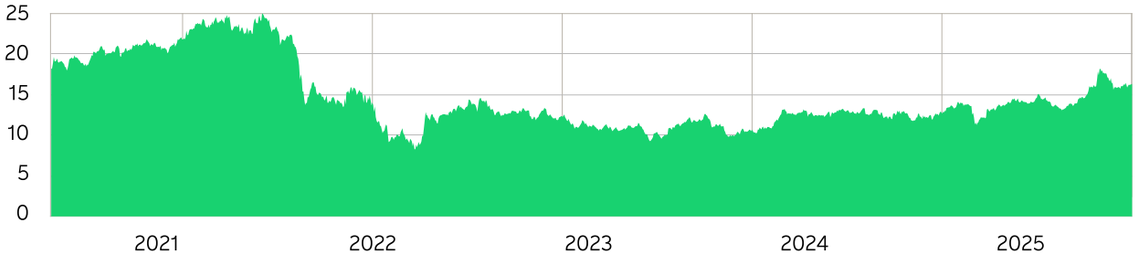
The dividend would be paid to shareholders who on the record date of the dividend payment 2 April 2026 are recorded in the Company's shareholders' register held by Euroclear Finland Oy. The Board of Directors proposes that the dividend be paid on 14 April 2026.

The Annual General Meeting is planned to take place on 31 March 2026.

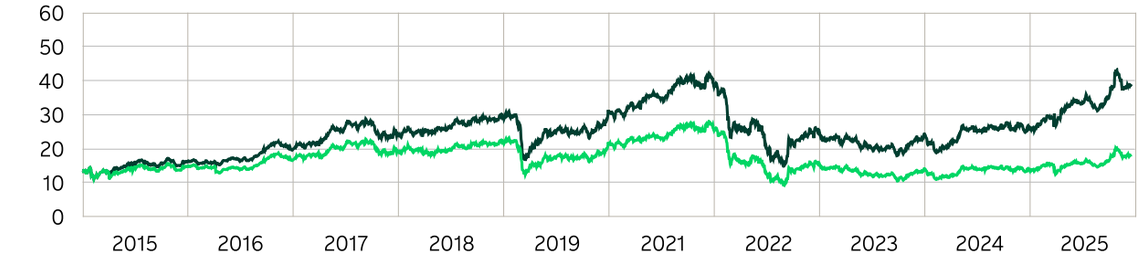
**Share quotations, index 100 = quote on 4 January 2021**




**Market capitalisation, EUR billion**

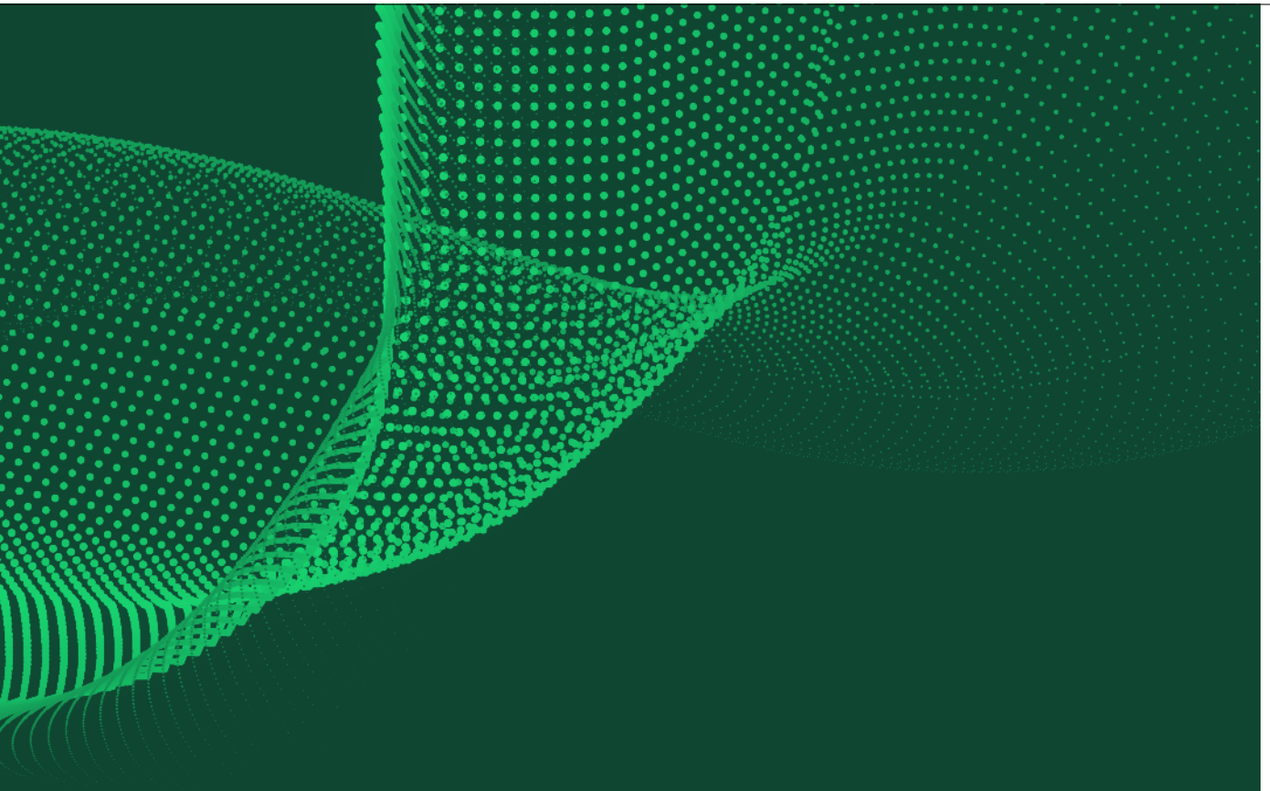



**Total shareholder return, EUR**



# Sustainability statement





# 1 General information



## 1.1 Introduction

### 1.1.1 This is Fortum

Fortum is the third-largest power generator in the Nordics and its power generation has one of the lowest specific $CO_2$ emissions in Europe. Fortum is committed to being a safe and inspiring workplace for its employees.

Fortum's purpose is to power a world where people, businesses and nature thrive together, generating and reliably delivering energy at scale to its customers, and helping industries to decarbonise their processes and societies to reach their climate targets in balance with nature. The core operations in the Nordics comprise efficient, low-carbon power generation based on hydro, nuclear and onshore wind power, as well as the reliable supply of electricity and district heat to private and business customers in Finland and Poland.

Fortum's strategy is based on three strategic priorities:

- Deliver reliable energy to customers
- Drive decarbonisation in industries
- Transform and develop

The first priority is to deliver reliable energy, when needed and at scale, to customers and the Nordic energy system. This means that Fortum will continue to develop best-in-class operations for efficiency, flexibility and optimisation. Fortum will also continue to decarbonise and modernise those operations that still create emissions, backed by environmental commitments.

The second priority is to drive decarbonisation and growth in Nordic industries. This is achieved by partnering with strategic customers to reduce their carbon footprint and by developing and building low-carbon power. Fortum makes selective profitable growth investments and explores opportunities in pumped hydro storage and new nuclear.

The third strategic priority is to transform and develop Fortum by strengthening the company's operating model, digital capabilities, and company culture. This ensures Fortum's position as an efficient, agile, and well-prepared company to meet customer needs and capture profitable growth opportunities, supporting long-term shareholder value.

## 1.1.2 Highlights in 2025

**Coal exit proceeding**
Fortum announced the decarbonisation of the Zabrze combined heat and power (CHP) plant in Poland. During 2025–2027, Fortum will invest approximately EUR 85 million in the Zabrze plant's retrofit. In 2025, investments in decarbonisation totalled approximately EUR 146 million.

**Climate targets**
Fortum achieved its 2028 targets for specific emissions from both total energy production (<20 $gCO_2$/kWh) and power generation (<10 $gCO_2$/kWh) already in 2025. This results from the strong progress made in decarbonising Fortum's own operations and reducing Scope 1 GHG emissions.

**Biodiversity targets and transition plan**
Fortum updated the company's terrestrial and aquatic biodiversity targets and outlined its first biodiversity transition plan with concrete actions for the upcoming years. The company also publishes its terrestrial biodiversity footprint for climate change pressure and procured biomass for the first time.

**Investments in renewable energy**
Supporting one of Fortum's strategic goals, Fortum acquired renewable energy project development portfolios from ABO Energy and Enersense, which together consist of approximately 7 GW of onshore wind power development projects in various stages located in Finland. In 2025, investments in renewable (hydro and wind power) energy totalled approximately EUR 223 million.

**Employee engagement**
The employee engagement score, measuring employee experience and commitment, increased to 7.7 from 7.5 in 2024.

**Safety**
Fortum's safety performance, reflected in the TRIF metric, improved in 2025 to 2.4. The execution rate for Safety improvement plans was 90%, exceeding the set target level of 75%.

**Improving supply chain due diligence**
Fortum conducted sustainability risk assessments for all procurement categories. The assessments will be followed by mitigation action plans for the categories with most sustainability risks. The supplier qualification rate was 88%, exceeding the target level of 85%.

## 1.1.3 Material sustainability topics

Fortum has identified the following material sustainability topics:

| Environmental | Social | Business conduct |
|---|---|---|
| • Climate change<br>• Pollution<br>• Biodiversity<br>• Resource use and circular economy | • Own workforce<br>• Value chain workers<br>• Affected communities<br>• Consumers and end users | • Corruption and bribery<br>• Management of relationships with suppliers |

### Environmental sustainability

Climate change is one of the global megatrends that is driving changes in Fortum's operating environment. The European Union is aiming for climate neutrality by 2050 and is committed to a 55% reduction in greenhouse gas emissions by 2030. In 2025, 99% of Fortum's power generation was from renewable (hydro and wind) and nuclear sources. The international Science Based Targets initiative (SBTi) has validated Fortum's near-term and long-term science-based emission reduction targets, and the science-based net-zero target by 2040.

Energy production generates emissions to the environment. Fortum controls emissions to air, water and soil caused by its operations and aims to reduce environmental impacts by fuel switching and by using technological solutions and flue gas cleaning technologies.

The degradation of biodiversity is one of the greatest environmental problems globally. All business operations, including Fortum's, have an impact on biodiversity. Fortum acknowledges the need to identify and take responsibility for its impacts on, and dependencies related to biodiversity and ecosystem services.

A transition towards circular economy is necessary to ensure availability of natural resources, and it is essential for fighting climate change. Fortum produces radioactive waste in its own and co-owned nuclear power plants. In addition, conventional non-hazardous and hazardous waste is produced in power plants and other own operations.

### Social sustainability

Social sustainability at Fortum focuses particularly on employees, workers in the value chain, communities around Fortum's sites, as well as consumers and end users. The health and safety of employees and value chain workers working at Fortum's sites is a top priority. Fortum takes privacy and protection of personal data of both its own workforce and consumers seriously. Fortum also systematically develops the human rights due diligence process further to address potential negative impacts, as well as collaborates with communities and organisations at global, national and local levels through the Corporate Social Responsibility programme.

### Business conduct

Fortum complies with all applicable national and international laws, regulations and conventions in the countries where it does business. Fortum also follows common practices for sound corporate governance. Legal compliance policies include frameworks towards anti-bribery and corruption, competition, economic sanctions, employment, energy markets, the environment, health and safety, insider regulations, market abuse, money laundering, securities trading and tax evasion. Supplier relationship management is essential in managing sustainability and compliance in the supply chains.

## 1.1.4 Fortum's sustainability targets

Fortum's sustainability targets reflect material sustainability topics identified through the double materiality assessment. See 1.4 Double materiality assessment. All targets are group-level targets aiming to increase low-carbon energy production and deliver reliable energy for customers in the Nordics and Poland.

In 2025, Fortum updated its biodiversity targets and committed to enhance the privacy and protection of personal data of both its own workforce and consumers.

The international Science Based Targets initiative (SBTi) has validated Fortum's near- and long-term science-based emission reduction targets and science-based net-zero target by 2040. The targets are aligned with the level of emission 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 sustainability targets and performance against these targets are presented in tables below:

### Targets for climate change

| | Included in performance incentive schemes [1] | Measure | Base year | Base-year value [2] | Target year | 2025 | 2024 | Change compared to base year, % | Change compared to previous year, % |
|---|---|---|---|---|---|---|---|---|---|
| **Targets for own energy production** | | | | | | | | | |
| 1. Coal exit in the company's own operations (2027) [3] | | GW | N/A | N/A | 2027 | 1.0 | 1.0 | N/A | 0 |
| 2. Specific emissions of <20 $gCO_2$/kWh from total energy production (2028) | | $gCO_2$/kWh | N/A | N/A | 2028 | 16 | 26 | N/A | -37 |
| 3. Specific emissions of <10 $gCO_2$/kWh from power generation (2028) | | $gCO_2$/kWh | N/A | N/A | 2028 | 8 | 11 | N/A | -28 |
| 4. Reduce Scope 1 and 2 (market-based) GHG emissions from electricity and heat generation by 85% per MWh (2030) [4] | ● | $tCO_2$-eq/MWh | 2023 | 0.024 | 2030 | 0.019 | 0.018 | -18 | 7 |
| 5. Reduce Scope 1 and 2 (market-based) GHG emissions from electricity and heat generation by 90% per MWh (2040) [4] | | $tCO_2$-eq/MWh | 2023 | 0.024 | 2040 | 0.019 | 0.018 | -18 | 7 |
| **Targets for electricity sales** | | | | | | | | | |
| 6. Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 69% per MWh (2030) [4] | ● | $tCO_2$-eq/MWh | 2023 | 0.13 | 2030 | 0.11 | 0.11 | -14 | -1 |
| 7. Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 94% per MWh (2040) [4] | | $tCO_2$-eq/MWh | 2023 | 0.13 | 2040 | 0.11 | 0.11 | -14 | -1 |
| **Targets for gas and heat sales** | | | | | | | | | |
| 8. Reduce absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 55% (2033) | ● | $tCO_2$-eq | 2023 | 949,800 | 2033 | 1,395,800 | 1,266,500 | 47 | 10 |
| 9. Reduce absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 90% (2040) | | $tCO_2$-eq | 2023 | 949,800 | 2040 | 1,395,800 | 1,266,500 | 47 | 10 |
| 10. Reduce absolute Scope 3 GHG emissions from fuel- and energy-related activities by 90% (2040) | | $tCO_2$-eq | 2023 | 1,005,900 | 2040 | 886,200 | 962,800 | -12 | -8 |

1) For more information on targets included in incentive schemes, see 1.5.2 Sustainability-related performance in incentive schemes.
2) Base-year values exclude the recycling and waste business divested in November 2024. Base-year values have not been assured.
3) Coal-based capacity for power and heat. Coal-based power and heat production, as well as coal share of sales is presented in 2.2.8 Metrics for climate change.
4) The target boundary includes land-related emissions and removals from bioenergy feedstocks.

Based on the good progress in reducing GHG emissions from its own operations, Fortum achieved its 2028 targets for specific emissions from both total energy production and power generation already in 2025. Scope 1 and Scope 2 greenhouse gas intensity for electricity and heat production increased by 0.001 $tCO_2$-eq/MWh (7%) in 2025. The change was driven by the reclassification of heat network losses from Scope 3 to Scope 2, and lower energy production volumes compared to 2024.

Scope 3 emissions from sold electricity decreased, reflecting higher sales of electricity bundled with Guarantees of Origin (GoO), which also contributed to a 0.002 $tCO_2$-eq/MWh (1%) reduction in GHG emissions intensity for electricity sales. Due to previously contracted volumes, gas sales increased, resulting in a 0.1 Mt $CO_2$-eq (10%) rise in greenhouse gas emissions from the use of sold gas. Emissions from sold heat decreased by 0.08 Mt $CO_2$-eq (8%) mainly due to the reclassification of emissions from heat network losses.

For information on actions in 2025, see 2.2.7 Actions and resources for climate change, and for information on GHG emissions, see 2.2.8 Metrics for climate change.

### Targets for pollution

| | Included in performance incentive schemes [1] | Measure | Base year | Base-year value | Target year | 2025 | 2024 | Change compared to base year, % | Change compared to previous year, % |
|---|---|---|---|---|---|---|---|---|---|
| 20% reduction in nitrogen oxides ($NO_x$) emissions [2] | | kg | 2023 | 1,546,865 | 2030 | 1,302,249 | 1,378,084 | -16 | -6 |
| 40% reduction in sulphur dioxide ($SO_2$) emissions [2] | | kg | 2023 | 849,418 | 2030 | 242,409 | 616,604 | -71 | -61 |
| No major environmental incidents and no major non-compliance cases | | Number of incidents | N/A | N/A | Annual | 0 | 1 | N/A | -100 |
| Reduction in use of most-hazardous replaceable chemicals by 2030 | | Proceeding as planned, Yes/No | N/A | N/A | Annual | Yes | Yes | N/A | N/A |

1) For more information on targets included in incentive schemes, see 1.5.2 Sustainability-related performance in incentive schemes.
2) Base-year and current-year values exclude the recycling and waste business divested in November 2024. Base-year values have not been assured.

In 2025, nitrogen oxides emissions decreased by 6% and sulphur dioxide emissions by 61% compared to 2024. The substantial decrease in sulphur dioxide emissions clearly exceeds the -40% reduction target. The most significant improvement resulted from the closure of the Suomenoja coal-fired CHP plant in April 2024, which reduced emissions by approximately 101 tonnes of nitrogen oxides and 417 tonnes of sulphur dioxide. The major environmental incident target was met in 2025. In 2025, substances of very high concern used in maintenance activities were assessed and replaced, where possible. For information on actions in 2025, see 2.3.5 Actions and resources for pollution.

## Targets for biodiversity

In November 2025, Fortum updated its biodiversity targets and published its first biodiversity transition plan, which outlines interim targets and concrete actions for the coming years for each biodiversity target. The revised targets now cover the impacts of hydropower on aquatic ecosystems, land use change in Fortum's own operations and the impact of biomass sourcing on land use (supply chain impact); the impacts of climate change pressure are addressed through Fortum's SBTi targets. See sections 2.4.4 Targets for biodiversity and 2.4.5 Transition plan for biodiversity.

### Updated biodiversity targets from November 2025

Fortum's biodiversity targets, updated in November 2025, and performance against the targets are presented in the table below:

| | Included in performance incentive schemes [1] | Measure | Base year | Target value | Target year | 2025 | 2024 | Change compared to base year, % |
|---|---|---|---|---|---|---|---|---|
| Increase the ecological value in river stretches where actions have the most ecological benefit by 2040 | | Proceeding as planned, Yes/No | N/A | N/A | 2040 | Yes | N/A | N/A |
| Achieve a net positive impact on land use for our own operations 2030 onwards [2] | | $MSA.km^2$ | N/A | 0 | 2030 | N/A | N/A | N/A |
| No increase in land use negative impact from procured biomass in existing operations from 2024 levels | | $MSA.km^2$ | 2024 | ≤ 0.26 | Annual | 0.32 | 0.26 | 23 |

1) For more information on targets included in incentive schemes, see 1.5.2 Sustainability-related performance in incentive schemes.
2) The target is valid from 2030 onwards. The reporting of the MSA.km2 measure will commence at a later stage.

In 2025, Fortum continued to implement both voluntary and licence-related biodiversity measures in its hydropower operations to mitigate negative impacts and, where possible, to introduce improvement measures. Actions toward river biodiversity are described in section 2.4.6 Actions and resources for biodiversity. Fortum's main terrestrial biodiversity impacts are related to the impacts from GHG emissions, land use and fuel procurement. Fortum identifies terrestrial impacts with a Biodiversity Footprint Assessment (BFA, by Global Biodiversity Score® Tool). Impact from GHG emissions is presented in section 2.4.7 Metrics for biodiversity. The land use impact from own operations will be disclosed at a later stage. The land use impact from the procurement of biomass increased by 0.06 $MSA.km^2$ from 2024 (base year). The impact originates from the procurement of non-residual forest biomass to the Kivenlahti power plant in Espoo, Finland. Actions towards this new target are currently being planned.

### Biodiversity targets until November 2025

The following biodiversity targets were in place until November 2025:

- No net loss of biodiversity from existing and new operations in Scope 1 and 2 from 2030 onwards, excluding all aquatic impacts. In ongoing operations, the main lever for the target is to reduce Scope 1 GHG emissions in line with the climate transition plan, see 2.2.6 Transition plan for climate change mitigation. In 2025, Scope 1 GHG emissions decreased due to actions taken to reduce coal use. See section 2.2.5 Targets for climate change.
- 50% reduction in dynamic terrestrial impacts in upstream Scope 3 by 2030 compared to base year 2021. The main lever for the target is to reduce Scope 3 GHG emissions in line with the climate transition plan. In 2025, Scope 3 GHG emissions decreased mainly due to lower emissions associated with sold electricity.
- Commitment to continue local initiatives and participate in the development of a science-based methodology to assess the aquatic impacts of hydropower. In 2025, Fortum continued to implement local initiatives, especially in hydropower; as well as worked on developing a science-based methodology to assess the aquatic impacts of hydropower, e.g., through case studies. See 2.4.6 Actions and resources for biodiversity.

### Targets for own workforce

| | Included in performance incentive schemes [1] | Measure | Target year | Target value | 2025 | 2024 | Change compared to previous year |
|---|---|---|---|---|---|---|---|
| No severe injuries [2] | | Number of incidents | Annual | 0 | 1 | 2 | -1 |
| Total Recordable Injury Frequency (TRIF) <1.0 [2] | ● | TRIF | 2030 | <1.0 | 2.4 | 4.0 | -1.6 |
| Execution rate for Safety improvement plans | ● | % | 2025 | 75 [3] | 90 | 90 | N/A |
| Improve employee engagement clearly above benchmark level [4] | | Score | 2030 | 7.7 [5] | 7.7 | 7.5 | 0.2 |
| Commitment to ensure that all employees receive an adequate wage and to not have unreasoned or unexplained gender pay gaps | | Proceeding as planned, Yes/No | Annual | N/A | Yes | Yes | N/A |

1) For more information on targets included in incentive schemes, see 1.5.2 Sustainability-related performance in incentive schemes.
2) Target includes own employees and value chain workers working at Fortum's sites (contractors' employees).
3) 2024 target was 60%.
4) Industry benchmark for 'Energy and Utilities' sector.
5) Industry benchmark value 2025.

Fortum improved its occupational safety performance in 2025. The execution rate of safety improvement plans reached 90%, exceeding the target level of 75%. The Total Recordable Injury Frequency (TRIF) improved from 4.0 in 2024 to 2.4 in 2025. The change is mainly explained by the divestment of the Recycling and Waste business, but there was also significant improvement in contractor injury frequency. The majority of occupational injuries still occur to contractors' employees. One injury to a contractor's employee was classified as severe. The incident was investigated together with the contractor's management to ensure it would not reoccur. Achieving the ambitious safety targets, TRIF below 1.0 and zero serious injuries, requires continuous commitment to strengthening the safety culture, as well as systematic learning from incidents and near misses. See 3.2.5 Taking action and tracking effectiveness of actions on own workforce.

The employee engagement score improved during 2025, meeting the industry benchmark level. The results show that employees appreciate the supportive work environment and good team spirit. To support the improvement, Fortum pays particular attention to the engagement drivers. During 2025 Fortum also further developed methodology to assess gender pay gap and conducted an adequate wage benchmark to assess that all Fortum employees are paid an adequate wage in line with applicable benchmarks. See 3.2.5 Taking action and tracking effectiveness of actions on own workforce.

### Targets for workers in the value chain

| | Included in performance incentive schemes [1] | Measure | Target year | Target value | 2025 | 2024 | Change compared to previous year |
|---|---|---|---|---|---|---|---|
| Supplier qualification rate [2] | | % | Annual | 85 | 88 | 81 | 7 |
| Enhance supply chain due diligence by developing supplier evaluation and supply chain data management | | Proceeding as planned, Yes/No | 2026 | N/A | Yes | Yes | N/A |

1) For more information on targets included in incentive schemes, see 1.5.2 Sustainability-related performance in incentive schemes.
2) Spend from qualified suppliers divided by total procurement spend within the scope of the qualification process. The recycling and waste business is included in the 2024 figure until the divestment in November 2024.

The supplier qualification rate exceeded the target during the reporting period due to consistent implementation of the qualification process, focusing on re-qualifications and monitoring of key performance indicators. The overarching target to enhance supply chain due diligence consists of several actions to improve Fortum's supply chain due diligence. The progress is measured against annual action plan which, in 2025, included developing sustainability in category management, as well as evaluating options for supply chain data management. The target is proceeding according to plan. In 2025 Fortum made a gap analysis of further development needs of the due diligence process, a roadmap for implementing the development actions, and continued evaluating data management options. Fortum conducted sustainability risk assessments for all procurement categories and developed tools and templates to support sustainability in category management. See 3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain.

### Targets for privacy of consumers and own workforce

| | Included in performance incentive schemes [1] | Measure | Target year | Target value | 2025 | 2024 | Change compared to previous year |
|---|---|---|---|---|---|---|---|
| Enhance robust privacy and data protection processes for customers and employees | | Proceeding as planned, Yes/No | Annual | N/A | Yes | N/A | N/A |
| Privacy training completion rate | | % | N/A | 100 | 98 | 86 | 12 |

1) For more information on targets included in incentive schemes, see 1.5.2 Sustainability-related performance in incentive schemes.

In 2025 Fortum introduced new targets to enhance privacy and protection of personal data of both own workforce and consumers. The target to enhance privacy and data protection processes is overarching and consists of several actions to achieve comprehensive privacy and data protection across the entire organisation. The progress is measured against an annual action plan that addresses the identified development areas. In 2025, the action plan included, e.g., improving privacy reporting to management, updating privacy e-learning and developing a new data subject request portal, which will be published in early 2026. The target proceeded as planned with some actions continuing to the next year. The privacy training completion rate also improved significantly from the previous year.

### Targets for business conduct

| | Included in performance incentive schemes [1] | Measure | Target year | Target value | 2025 | 2024 |
|---|---|---|---|---|---|---|
| No incidents of corruption and bribery | | Number of incidents | Annual | 0 | 0 | 0 |

1) For more information on targets included in incentive schemes, see 1.5.2 Sustainability-related performance in incentive schemes.

In 2025 and 2024, there were no confirmed incidents of corruption or bribery.

## 1.2 Basis of preparation

### 1.2.1 Basis of preparation

Fortum Group's sustainability statement for the year ended 31 December 2025 has been prepared in accordance with the European Union's Corporate Sustainability Reporting Directive (CSRD) and the related European Sustainability Reporting Standards (ESRS). This sustainability statement includes EU Taxonomy disclosures, which are prepared in accordance with the EU Taxonomy Regulation and implementing delegated acts. The sustainability statement has not been published in digital format, tagged with XBRL sustainability taxonomy, in accordance with chapter 7, section 22, subsection 1, paragraph 2 of the Finnish Accounting Act as it has not been possible for companies preparing sustainability statements to follow the Finnish legislation due to the lack of ESEF regulation or other EU legislation to guide implementation.

During 2025, the EU Commission published several 'Omnibus' proposals, legislative initiatives aimed at, e.g., simplifying sustainability reporting requirements. Among others, the EU Omnibus postpones the adoption of the phased-in disclosure requirements and is expected to reduce mandatory disclosure requirements in the future. Fortum is closely monitoring these regulatory developments and will adjust sustainability reporting as and when any amendments to legislation are in place. Changes in the EU Taxonomy Regulation will be adopted in 2026 reporting.

Sustainability matters disclosed in this sustainability statement are based on the material topics identified through the double materiality assessment, which was performed in accordance with ESRS 1 General Requirements. See 1.4 Double materiality assessment.

The sustainability audit firm and Fortum's financial statements auditor, Deloitte Oy, has provided an independent auditor's limited assurance report on this sustainability statement in accordance with ISAE 3000 (Revised). Unless otherwise stated, disclosures in this sustainability statement have not been assured by any external body other than the assurance provider.

### 1.2.2 Reporting scope

The disclosures in this sustainability statement include the parent company, Fortum Oyj, and its subsidiaries. Subsidiaries are companies over which Fortum has control.

Associated companies are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights, and joint ventures are arrangements in which the Group has joint control. See Note 1.3 Principles for consolidation and Note 40 Group companies by segment. Fortum has assessed that it does not have operational control over these companies. However, associated companies and joint ventures are included in certain metrics as required by ESRS.

Greenhouse gas (GHG) emissions of associated companies and joint ventures that are actors in Fortum's value chain, mainly nuclear and hydro companies, are included in GHG emissions in Scope 3 category 1 or category 3. Emissions from these companies are disclosed based on the proportion of electricity purchased from these companies, or the proportion of services used, as appropriate. Other associated companies and joint ventures that are not actors in Fortum's value chain are included in GHG emissions Scope 3 category 15 disclosures. See 2.2.8 Metrics for climate change, Reporting principles.

Unless otherwise stated, associated companies and joint ventures are currently not included in the disclosures on policies, actions and targets. Unless otherwise stated, other value chain actors are excluded from the disclosures as Fortum is utilising the exemption for phased-in disclosures (ESRS 1-10.2). This does not apply to suppliers of goods and services, which are included in the disclosures in sections 3.3 Workers in the value chain and 4.5 Management of relationships with suppliers.

The scope of EU Taxonomy reporting is described in 2.6.1 Introduction to EU Taxonomy.

Fortum has not used the option to omit specific information relating to intellectual property, know-how or results of innovation, nor the exemption to disclose impeding developments or matters in the course of negotiation.

### 1.2.3 Changes in reporting

**Changes in material topics**

In 2025, Fortum updated the double materiality assessment. As a result, topic E3 Water is no longer reported as material. This decision is based on a reassessment of the ESRS definition of water, which adopts a narrower scope – focusing on withdrawals, discharges, and consumption, particularly in water-stressed areas – compared to Fortum's broader interpretation in 2024. Under this interpretation, the previously reported material impacts are more appropriately addressed under E4 Biodiversity and ecosystems and S3 Affected communities. For more details, see 1.4.2 Material impacts, risks and opportunities.

The 2025 double materiality assessment also included a deeper analysis on the topic of privacy, which is now considered to be material both for S1 Own workforce and S4 Consumers and end users. As for S4, which was not reported in 2024, Fortum applies the transitional relief introduced in the July 2025 ESRS 'Quick Fix' amendments and reports only limited information for this topic based on BP-2, paragraph 17.

**Changes in the Group structure**

On 28 November 2025, Fortum acquired a project development portfolio for wind power from the German renewables developer and constructor ABO Energy. The acquired portfolio includes approximately 4.4 GW of onshore wind development projects at various stages in Finland. No investment commitments have been made, and any investment decision will depend on power market conditions with special focus on power demand development from the industrial sector. The acquisition does not have a material impact on Fortum's sustainability reporting.

On 30 June 2025, Fortum completed the acquisition of the Polish electricity solutions provider Orange Energia Sp. z o.o. The acquisition included approximately 130,000 customers, as well as 33 employees. The acquisition does not have a material impact on Fortum's sustainability reporting.

On 26 June 2025, Fortum completed the divestment of its renewables development portfolio in India to Hexa Climate Solutions Pvt Ltd. The divestment does not have a material impact on Fortum's sustainability reporting.

In the first quarter of 2025, Fortum acquired 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 acquisition does not have a material impact on Fortum's sustainability reporting.

Fortum concluded the sale of its recycling and waste business on 29 November 2024 and its turbine and generator services on 31 December 2024. The divestment of the turbine generator services did not have a material impact on Fortum's sustainability reporting. The divestment of the recycling and waste business had the following material impacts on Fortum's sustainability reporting:

- Significant reduction in direct greenhouse gas (GHG) emissions, as the business accounted for approximately 34% of Fortum's total Scope 1 emissions in 2024. Fortum's SBTi-validated climate targets were not affected, as the business was already excluded from the base-year emissions when the targets were established.
- Significant reduction in the amount of waste, as the business was the primary generator of both hazardous and non-hazardous waste. The business accounted for nearly 100% of hazardous waste and approximately 30% of non-hazardous waste in 2024.
- Reduction in the amount of substances of concern used from 2024.
- Positive impact on accident frequencies among own personnel and contractors.
- Reduction in $NO_x$ emissions to air by 0.4 million tonnes from 2024.
- Reduction in the number of workforce, approximately 900 employees, impacting on metrics related to own workforce, as well as health and safety of own workforce and workers in the value chain.

Detailed descriptions of these impacts can be found in sections 2.2 Climate change, 2.3 Pollution, 2.5 Resource use and circular economy, 3.2 Own workforce and 3.3 Workers in the value chain.

Disclosures in this sustainability statement include these businesses from the date of acquisition / until the date of disposal, unless otherwise stated.

### 1.2.4 Time horizons

In the double materiality assessment, Fortum is using time horizons that deviate from the medium- and long-term time horizons defined in ESRS 1 General Requirements section 6.4. The reason for the deviation is that the time horizons have been aligned with time horizons used in Fortum’s financial planning process. The medium-term time horizon is from one to six years (2024: one to three years), and the long-term time horizon is more than six years (2024: more than three years). The change in the time horizons did not have a material impact on Fortum's sustainability reporting.

### 1.2.5 Use of estimates, judgement and forward-looking information

The preparation of the sustainability statement requires management to make estimates and assumptions that affect both the qualitative and quantitative information given; on the other hand, certain ESRS disclosure requirements ask for forward-looking information, which is inherently uncertain. Estimates, judgement and forward-looking information are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas where management’s estimates and judgement are most critical are:

- Judgement and forward-looking information used in the identification and scoring of sustainability impacts, risks and opportunities, as well as in determining the threshold for material topics. See 1.4 Double materiality assessment.
- Estimates and forward-looking information used in valuing the anticipated financial effects from sustainability risks and opportunities. See 1.4 Double materiality assessment.
- Estimations used in GHG Scope 3 emission calculations and MSA.km$^2$ (biodiversity footprint assessments with GBS®-tool) calculations. See 2.2.8 Metrics for climate change, Reporting principles and 2.4.7 Metrics for biodiversity.

### 1.2.6 Exemptions for phased-in disclosures

In the 2025 reporting, Fortum takes advantage of the following exemptions listed in ESRS 1 section 10 and Appendix C. As explained above, the application of Appendix C phased-in disclosure requirements has been postponed following July 2025 ESRS ‘Quick Fix’ amendments as part of Omnibus.

- Anticipated financial effects from material risks and opportunities are not disclosed (ESRS 2 SBM-3 and ESRS E1-9).
- The following information on own workforce (ESRS S1) is not disclosed: characteristics of non-employee workers (S1-7), as well as cases of work-related ill-health and number of days lost to injuries, accidents, fatalities and work-related ill health, and health and safety information on non-employees (S1-14).
- As described above in section 1.2.2 Reporting scope, certain disclosures exclude value chain actors. The planning of value chain-related information gathering that was to commence in 2025 has been postponed following the EU Omnibus. Work will commence once the to-be requirements are clear.
- List of significant ESRS sectors and total sales by significant ESRS sector (ESRS 2 SBM-1). The disclosure will be given if and when the sector-specific disclosure requirements come into force.
- Limited information is reported on topics S4 and E4 based on the new phased-in relief introduced as part of the 'Quick Fix' amendments. For S4, which is a new material topic, the relief is applied in full, and for E4 partly. Full reporting will be done according to the revised ESRS standards, once they have been finalised.

## 1.3 Strategy and business model

### 1.3.1 Business model and value chain

Fortum is the third-largest power generator in the Nordics, with power generation of 42.3 TWh (2024: 46.3) and heat and steam production of 3.2 TWh (2024: 4.1) in 2025. In 2025, 99% (2024: 99%) of Fortum's total power generation originated from the company's Nordic 41.6 TWh (2024: 45.4) outright power generation, which is based mainly on hydro, nuclear and onshore wind power. Fortum is also the largest electricity retailer in the Nordics, with over two million customers. Furthermore, Fortum has district heating and cooling businesses in Finland and Poland, and a pilot phase hydrogen production operation. These businesses are complemented by the electricity and gas retail business in Poland and the battery recycling business. While the majority of operations are non-fossil, Fortum has some fossil fuel derived operations. In 2025, the share of fossil fuel sales was 13% (2024: 12), including fossil-based production and gas sales. The share of fossil fuels of production-based sales was 6% (2024: 6) and the share of coal sales was 2% (2024: 3).

Fortum is a major economic actor in its main operating countries in the Nordics. The most significant direct monetary flows come from sales to customers, procurement of goods and services from suppliers, compensation to lenders, dividends to shareholders, growth and maintenance investments, employee wages and salaries, and taxes paid. On 31 December 2025, Fortum had 4,551 (2024: 4,496) employees in 12 (2024: 14) countries, with the majority of employees in Finland, Sweden, Norway and Poland. See Note 6.4 Group-wide disclosures for number of employees by country.

Fortum's strategy and business model are designed to deliver on the company's purpose: to power a world where people, businesses and nature thrive together. Sustainability is built into Fortum's strategy and strategic priorities 'deliver reliable energy to customers', 'drive decarbonisation in industries', and 'transform and develop'. Fortum has three reportable segments: Generation, Consumer Solutions, and Other Operations. See Note 6.1 Business and segment structure. The target of the organisation is the successful implementation of the company's purpose and strategy. The Group's business portfolio is built on hydro and nuclear generation, flexibility and optimisation, demand-driven renewables, electricity solutions business for consumers, and heating and cooling operations.

Fortum has set near- and long-term emission reduction targets in line with the SBTi, anchored these targets to the overall business strategy and created a climate transition plan defining actions and resources towards net-zero operations. Fortum has also set biodiversity targets and outlined its first biodiversity plan with concrete actions for the upcoming years. The plans are based on existing operations and business structure and are dependent on future development and changes in the operating environment. In addition, Fortum has set targets for pollution, own workforce, workers in the value chain, consumers and end users, and business conduct. See 1.1.4 Fortum's sustainability targets, 2.2.6 Transition plan for climate change mitigation and 2.4.5 Transition plan for biodiversity.

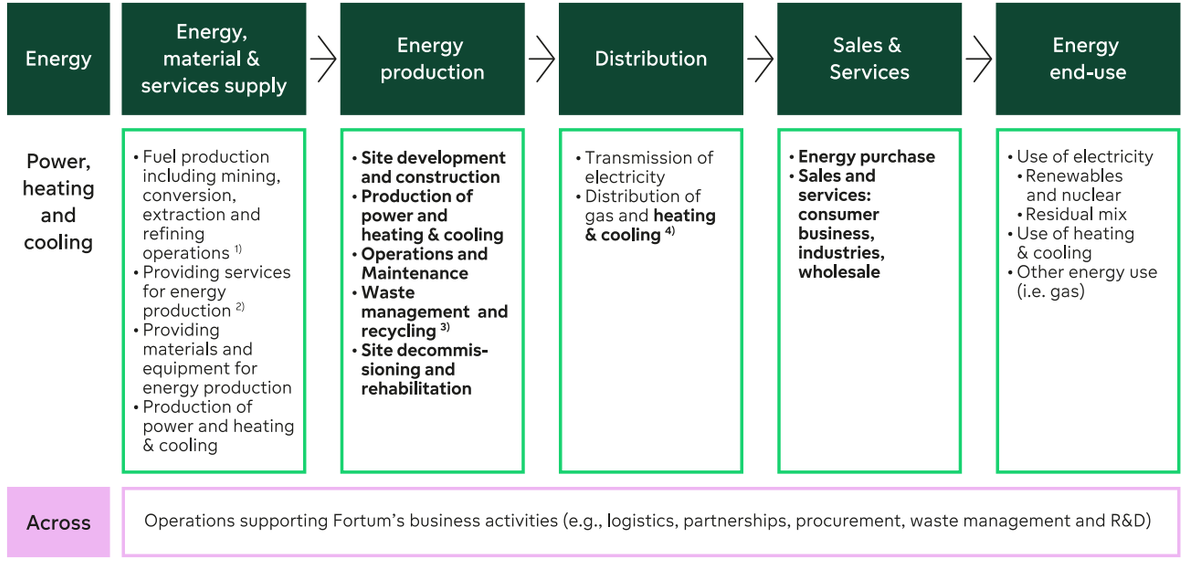
A resilience analysis steers Fortum's strategy. In its analysis, Fortum considers a landscape of five strategic, long-term macro scenarios in its operating environment outlook, including the sustainability-related drive of societal focus on climate and environment, and the variable of climate and ecosystem stability. Sustainability risk identification is based on the resilience analysis, and assets and business activities at risk are considered in the double materiality assessment. See 2.2.4 Resilience analysis.

The management of sustainability-related impacts, risks and opportunities and targets are designed to support strategy execution. Fortum is continuously assessing its business portfolio and evaluates risks and opportunities for acquisitions, investments and divestments, including sustainability-related matters and possible trade-offs between risks and opportunities. See 1.4.2 Material impacts, risks and opportunities.

Fortum is a significant purchaser of goods and services, and aims to achieve its sustainability targets through responsible supplier selections and close collaboration with partners. Electricity purchased from the Nordic wholesale electricity market for retail, investments and fuel purchases accounted for the majority of purchases. The rest consisted of other goods and services related to operation and maintenance, as well as other functions, such as IT solutions and professional services. Fortum uses various fuels, such as uranium 87% (2024: 81), coal 5% (2024: 6), biomass and biofuels 3% (2024: 3), waste-derived fuel 2% (2024: 6), natural gas 2% (2024: 2) and other 1% to produce electricity, heat and steam. Percentage shares are based on the energy content of the fuel. In fuel sourcing, special attention is paid to the origin of the fuel and to responsible production. Fortum does not buy fossil fuels, wood pellets or biomass from Russia. These fuels mainly originate from Europe and the US.

Fortum has an ability to reliably deliver low-carbon energy at scale. With total energy sales of EUR 2.6 billion in 2025 (2024: 3.2), Fortum helps its customers and societies to decarbonise. Fortum follows the availability of different energy production forms as the measure of security of supply and has set strategic targets for fleet availability: over 90% for nuclear and 95% for hydropower. In 2025, the nuclear fleet availability was 75% (2024: 84%) and hydro availability was 94% (2024: 97%).

Fortum's value chain is depicted below:




1) Uranium, coal, biomass, waste, oil, gas, waste heat
2) Contractors, professional services, O&M
3) Own operations cover: nuclear waste treatment
4) Fortum manages only heating & cooling distribution

Defined terms
Power = Electricity
Energy = Power, heating & cooling
**Text in bold** refers to Fortum's own operations

## 1.3.2 Interests and views of stakeholders

Fortum's way of operating responsibly includes open and regular dialogue with its stakeholders. Collaboration with different stakeholder groups helps Fortum to understand, assess and meet the expectations that various groups have towards the company. Several different stakeholder surveys are conducted to systematically monitor stakeholders' views.

The table below presents Fortum's stakeholders, their respective group (affected stakeholders, users of the sustainability statement, or both), as well as the method of engagement with each stakeholder group:

| | | | Method of engagement | | | |
|---|---|---|---|---|---|---|
| **Stakeholder type** | **Affected stakeholders** | **Users of the sustainability statement** | **Meetings and interviews** | **Media monitoring** | **One Fortum Survey** | **Various targeted surveys** |
| Lenders, investors, shareholders | ● | ● | ● | | ● | |
| Clients and consumers | ● | ● | ● | | ● | |
| Employees | ● | | ● | | ● | ● |
| Future talent | ● | ● | | | ● | ● |
| Authorities and decision makers | | ● | ● | ● | ● | |
| Energy sector organisations | | ● | ● | ● | ● | |
| Local communities | ● | | ● | ● | ● | ● |
| Service and goods suppliers | ● | ● | ● | | | ● |
| Workers in the value chain | ● | | ● | | | |
| NGOs and trade unions | ● | ● | ● | ● | ● | |
| Media | | ● | | ● | ● | |

Engagement with the above-mentioned stakeholders informs Fortum's strategy and business model in several ways, as described below.

Fortum follows public dialogue and monitors media in the countries where it operates and participates in providing relevant information to stakeholders through different channels. Feedback from customers drives the development of Fortum's products and services. Interviews and discussions held with national authorities, decision-makers and politicians help the company to understand its industry-specific political environment and future trends. Regular employee surveys keep Fortum alert to topical issues among its personnel, enable the company to address grievances internally and to practice successful employee retention. Dialogue with non-governmental organisations (NGOs) and trade unions keeps Fortum updated on topical external sustainability concerns, challenges the company to address difficult issues, and gives valuable external expert opinions to Fortum's sustainability work.

The views of suppliers of goods and services inform Fortum on issues relevant not only to the company's own operations, but also further along its value chain. Engagement with value chain workers informs Fortum about the working conditions in its supply chains and supports the company in addressing related concerns with its business partners. Memberships in national and international organisations help to deepen Fortum's understanding of industry- and sector-wide stakeholder issues and their connections to Fortum's business. Direct dialogue and surveys with local communities around Fortum's sites

help the company to understand impacts on the surrounding society. Active dialogue with investors and investor coalitions, as well as frequent contact with both equity and credit research analysts at investment banks and brokerage firms not only helps Fortum to address the requirements of the capital markets but, most importantly, to adequately consider investor feedback in its continuous business development and strategic decarbonisation agenda.

Fortum has an informal Advisory Council consisting of representatives from Fortum's key stakeholder groups in Finland, as invited by the Board of Directors. The Advisory Council aims to advance Fortum's businesses by facilitating the dialogue and exchange of views between Fortum and its stakeholders.

In collaboration with third parties, Fortum annually conducts several surveys regarding stakeholders' expectations and opinions of the company. These surveys help Fortum to assess and respond to stakeholder groups' expectations and to measure the success of stakeholder collaboration. These surveys also provide information about sustainability trends and risks. The results are used in business planning, as well as in identifying priorities for sustainability, including input into Fortum's double materiality assessment. See also 1.4 Double materiality assessment.

The most widely disseminated stakeholder survey is the extensive One Fortum Survey, which measures company reputation, as well as customer satisfaction and its development at different business units. The survey is conducted annually, in the autumn, in most countries where Fortum has operations. The views and interests of affected stakeholders regarding Fortum's sustainability-related impacts are shared with the administrative, management and supervisory bodies as part of the annual process of sharing One Fortum Survey results. Thus, the results feed into the annual corporate strategy process. They also play a role in reviewing and adjusting, if needed, the corporate business model and the ways of operating in different business units.

Fortum also has specific methods of engaging with affected stakeholders on material sustainability issues and hearing the views and interests of Fortum's own workforce, value chain workers and affected communities. This engagement also addresses their human (including labour) rights. The views and interests of its own workforce, including their views on strategy, are gathered, for example, through the Employee Voice survey and taken into account in operative and strategic planning. The Fortum European Council (FEC) also serves as a cooperation function for dialogue between management and employee representatives on, e.g., strategy and information exchange on various activities (e.g. personnel motivation and wellbeing). The views and interests of value chain workers, gathered through audits or indirect sources (e.g. external NGO reports and surveys) inform, for example, supplier selection. The views and interests of affected communities received through stakeholder engagement are taken into account in new project development (e.g. site selection and landscaping) and adjusting the business model, where possible. For more information about the methods of engaging with affected stakeholders and how their input is taken into account in business planning and decisions, see 3.2 Own workforce, 3.3 Workers in the value chain and 3.4 Affected communities.

The table below shows Fortum's main stakeholder surveys, their target groups, scope and frequency:

| Survey | Target group | Target countries | Frequency |
|---|---|---|---|
| One Fortum Survey | Customers<br>General public<br>Public administration<br>Capital markets<br>NGOs<br>Opinion leaders<br>Personnel<br>Media | Finland, Sweden, Norway, relevant international stakeholders | Customer satisfaction is measured semi-annually or annually, depending on the customer segment. Reputation is measured annually. |
| Supplier Relationship Management (SRM) Survey | Suppliers of goods and services | All operating countries | Annually |
| Media tracking | Media | All operating countries | Daily |
| Brand tracking | General public and customers | Finland, Sweden, Norway | Continuously |
| Employee Voice survey | Own personnel | All operating countries | Every six months |
| Fortum Digital Experience Survey | Own personnel | All operating countries | Continuously |
| Local acceptance of hydropower production | Local stakeholders around Fortum's sites | Sweden | Annually |
| Local nuclear acceptability survey | Local stakeholders around Loviisa nuclear power plant | Finland | Annually |

## 1.4 Double materiality assessment

### 1.4.1 Double materiality assessment process

The scope of the sustainability statement is determined through a double materiality assessment (DMA). Fortum's double materiality assessment process follows the methodology outlined in ESRS 1 General Requirements. The double materiality assessment is updated on an annual basis, involving relevant internal functions and business units across the Group. Impacts, risks and opportunities are identified and assessed on a business unit level and consolidated and analysed at Group level. The material topics are approved by the Fortum Leadership Team (FLT) and reviewed by the Audit and Risk Committee (ARC). See also 1.5 Sustainability governance. Internal controls related to the double materiality assessment are described in 1.5.3 Risk management and internal controls over sustainability reporting.

Fortum uses the following four-step approach for its double materiality assessment:

**Step 1: Understanding value chains, business activities, industries, geographies and dependencies**

The purpose of this step is to gain an understanding of the overall context for the double materiality assessment, including a review of Fortum's value chain to ensure that all key business activities, main product and service groups, and dependencies stemming from resources or relationships – both upstream and downstream – are appropriately reflected. Building on the detailed value chain mapping conducted for Fortum's first ESRS-aligned double materiality assessment, the 2025 update concentrated on changes in Fortum's business structure. For more details on the value chain mapping, see 1.3.1 Business model and value chain.

Step 1 also includes the mapping of both affected stakeholders and users of the sustainability statement with whom Fortum engages on a continuous basis. During 2025, stakeholder input was collected for the double materiality assessment through different annual stakeholder surveys (e.g. One Fortum Survey). After the survey results are analysed and scrutinised, the findings are provided as input for steps 2 and 3. For more details on stakeholder engagement, see 1.3.2 Interests and views of stakeholders.

**Step 2: Impact materiality – identifying and assessing impacts (inside-out)**

The purpose of this step is to identify and assess both positive and negative impacts on environmental, social and business conduct matters across Fortum's own operations and in its upstream and downstream value chain. The assessment begins by reviewing the list of value chain activities identified in step 1 to identify direct and indirect impacts across the value chain. This includes reviewing due diligence materials and other relevant internal and external documentation, e.g., internal impact assessments, and using the list of sustainability matters in ESRS 1 Application Requirement (AR) 16 as support to ensure completeness.

Once the list of actual and potential impacts has been identified, they are classified based on the following factors: actual or potential impact; negative or positive impact; value chain location; time horizon; causality and ESRS topic, sub-topic and sub-sub-topic. Next, to determine the severity of the identified impacts, the impacts are scored based on the following three factors:

- Scale: how grave is the negative impact, or how beneficial is the positive impact for people or the environment?
- Scope: how widespread is the impact, i.e., what is the extent of the environmental damage, or the geographical perimeter, or the number of people adversely impacted?
- Irremediable character of negative impacts: whether and to what extent the negative impacts can be remediated, i.e., by restoring the environment or affected people to their original state or equivalent?

For potential impacts, the likelihood of occurrence is also evaluated, and the final assessment is calculated based on two parameters: severity and likelihood. For actual impacts, a likelihood of 100% is used in the calculation.

The 2025 impact assessment built on updating the first comprehensive double materiality assessment conducted in 2024, with deeper analysis of selected topics, such as privacy, which is now considered material.

**Step 3: Financial materiality – identifying and assessing risks and opportunities (outside-in)**

The purpose of this step is to identify and assess potential environmental, social and business conduct topics that could trigger a negative (risk) or positive (opportunity) financial impact on Fortum's business. Fortum has integrated the financial materiality assessment into the Enterprise Risk Management (ERM) process and sustainability-related risks and opportunities are derived directly from the ERM process for the double materiality assessment.

Sustainability risks and opportunities are identified and assessed by business units and enabling functions using the same principles and methodology that is applied to any other business risks in the ERM process. Once identified, each ESG-relevant risk or opportunity is classified based on value chain location, financial impact type (e.g. EBITDA, cash flow), as well as by ESRS topic, sub-topic and sub-sub-topic.

Finally, the materiality of the identified risks and opportunities is assessed by scoring the likelihood of occurrence and the financial magnitude in the short-, medium-, and long-term. The final score for each risk and opportunity is then calculated by multiplying the potential magnitude of the financial effect by its likelihood of occurrence.

**Step 4: Determining thresholds and assessing final materiality**

To conclude the double materiality assessment, impacts, risks and opportunities scored on a business unit level are consolidated, after which they are categorised by sub-sub-topic and score. Qualitative adjustments are made to ensure the consolidated results accurately represent Fortum's material impacts, risks and opportunities as a whole. Materiality thresholds are set by considering a range of factors, including but not limited to the significance of the impact, risk or opportunity to stakeholders, potential financial implications, and the strategic importance of the topic. Based on these considerations, the materiality threshold for 2025 was set at 12 on a scale of 1-25 (2024: 12). A sustainability matter meets the double materiality criteria if it is material either from the impact perspective or from the financial perspective, or from both.

In addition to scoring, qualitative criteria can be applied to determine material topics. These include, e.g., strategic or stakeholder expectations. As in 2024, these considerations led to a management decision to include certain business conduct topics as material also for 2025 reporting. See 4.2 Material impacts, risks and opportunities for business conduct.

Following the 2025 double materiality assessment, the sub-sub-topic privacy was identified as a new material sub-sub-topic under both S1 Own workforce and S4 Consumers and end users. Conversely, topic E3 Water is no longer assessed to be material. For more details on these conclusions, see, 1.4.2 Material impacts, risks and opportunities. For a list of the material disclosure requirements, see 5.1 Material disclosure requirements.

### Use of judgement and forward-looking information in the double materiality assessment

Due to the complex and often uncertain nature of sustainability issues, as well as difficulties in accessing exact value chain data, assessing the severity, magnitude and likelihood of impacts, risks and opportunities will always involve a certain amount of judgement. This is the case especially for impacts, risks and opportunities beyond the first value chain tier, or further in the future. In conducting the double materiality assessment, efforts were made to anchor the assessment on quantitative factors, utilising existing information, assessments and processes, where possible. Where exact data was not reasonably available, specialist knowledge and best available information, e.g., geography and industry data, were utilised.

An example of a situation where estimates and forward-looking information are used is in valuing the anticipated financial effects from sustainability risks and opportunities. These values are used in the financial materiality assessment. Financial materiality is estimated using professional judgement and based on the most appropriate measure for the specific risk or opportunity, such as the anticipated annual EBITDA impact, multiplied by the likelihood of occurrence.

Furthermore, determining the materiality thresholds involves management judgement. To ensure relevant and accurate results, various factors, including implications for Fortum and its stakeholders, were carefully considered in determining material topics.

### Specific considerations regarding the process to identify and assess impacts, risks and opportunities for each topic

In addition to the general double materiality process description, the ESRS mandates a more detailed explanation of the process used to identify and assess impacts, risks and opportunities for each topic. The following section outlines methodologies, input parameters, and processes for evaluating each of these topics.

For climate change, consideration was given to sources of GHG emissions in own operations, including upstream and downstream value chains, across all Fortum's key business activities. The current GHG emissions were taken into account when identifying impacts throughout the value chain. Furthermore, actual and potential climate-related transition risks, physical risks and opportunities were identified. The double materiality assessment was informed by the resilience analysis, including three different climate change scenarios with global warming of more than 3°C, 2.5–2.8°C and 1.5–1.9°C. The resilience analysis and climate scenarios used are further described in 2.2.4 Resilience analysis. Fortum's operations and assets are exposed to external events, such as changes in air and water temperature, precipitation, and extreme weather events, the frequency and magnitude of which may increase as a result of climate change. The identification of physical risks was conducted at business unit level, and resilience towards various acute and chronic physical climate risks was assessed.

For pollution, consideration was given to all Fortum's key business activities. For own operations, sources of emissions to air, water and soil were considered based on measuring and monitoring emissions in accordance with local regulations and environmental permit requirements for each site. An internal chemical database was used to evaluate the quantity of substances of concern used in own operations. Industry reports have been used in identifying impacts for upstream and downstream value chain.

For water and marine resources, all key business activities were taken into account. Interactions with water, including water withdrawal, discharge and consumption were considered. The WRI Aqueduct Water Risk Atlas was used to screen whether own operations are located in water-stressed areas. In addition to the WRI Aqueduct Water Risk Atlas, Fortum used site-level basin physical risk data from the WWF Risk Filter Suite's Water Risk Filter tool in the assessment of physical water risks. Based on these analyses, the topic was assessed to be not material.

For biodiversity and ecosystems, Fortum performed a biodiversity footprint assessment (BFA), finalised in 2023 with 2021 data, and updated in 2025 with 2024 data. The assessments were made by using the Global Biodiversity Score® (GBS®) tool. The assessed impacts and dependencies on biodiversity and ecosystem services, covering direct operations as well as the value chain, were used as base information in the double materiality assessment. In the methodology used, the impacts and dependencies (2023 assessment) were assessed based on datasets of ENCORE and EXIOBASE. The BFA was made by following the publicly available, Science-Based Targets for Nature, Initial guidance for Business by Science Based Target Network (SBTN). From the main drivers of biodiversity loss, the BFA covered interactions with land/sea use change, direct exploitation, climate change and pollution. The methodology used did not cover the interaction with invasive alien species. Additionally, the aquatic impact of hydropower production was evaluated separately through an expert review and is considered a material biodiversity impact. In addition to these assessments, the double materiality assessment considered all of Fortum's key business activities. Affected communities were not consulted separately for the identification and assessment of biodiversity-related impacts, risks or opportunities. For information about the assessment regarding biodiversity-sensitive areas, see 2.4.7 Metrics for biodiversity.

For resource use and circular economy, resource inflows and outflows in own operations, including in the upstream and the downstream value chain, in all Fortum's key business activities were considered. The assessment was done based on site-specific data on resources used and waste produced, and it was supplemented by expert evaluations.

For own workforce, all employees were considered in the assessment. Employee feedback and perspectives were obtained from, e.g., employee surveys and SpeakUp reports, where relevant. Country-specific aspects were also considered, where relevant. To assess the impact on privacy, the types of personal data collected and handled by Fortum was considered.

For value chain workers, Fortum's upstream value chains and the procurement of different products and services were considered in the assessment. Where exact data of the upstream value chain beyond the first tier was not reasonably available, specialist knowledge and best available information, e.g., industry- and country-related data and external reports

and studies, were utilised to develop understanding of vulnerable workers and the likelihood of impacts in different supply chains.

For affected communities, Fortum's operating countries and location of plants in the areas of indigenous communities, as well as stakeholder feedback were taken into consideration.

For consumers and end users, all consumer customers of electricity, and heating and cooling were considered in the assessment. Fortum also considered the type of personal data collected and handled by Fortum and the impacts that violation of data protection could have on consumers.

For business conduct, all operating countries were considered, and previous cases of misconduct were taken into account in the assessment. The assessment also considered supplier relationship management practices and processes to evaluate suppliers in terms of environmental and social sustainability.

### 1.4.2 Material impacts, risks and opportunities

As a result of the 2025 double materiality assessment, Fortum has identified 32 material impacts, risks and opportunities (IROs) covering nine out of ten ESRS topics. The table below includes a summary of these, categorised by ESRS topic, value chain location(s), the most significant time horizon(s), and whether it is an actual or potential positive or negative impact, or a risk or opportunity. Each impact, risk and opportunity has been assigned a reference number that corresponds to the impacts, risks and opportunities in the topical sections of this sustainability statement.

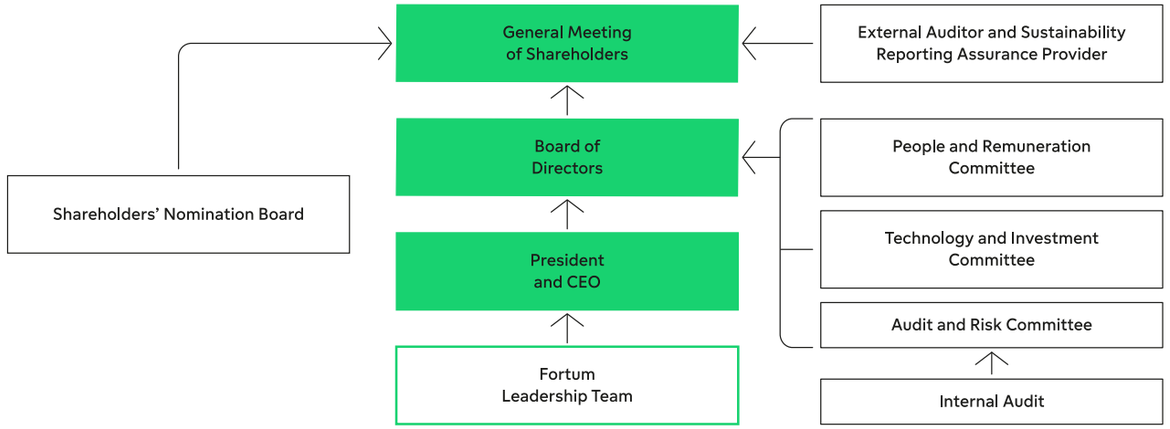
Key changes compared to 2024 include the identification of two new material impacts related to the sub-sub-topic of privacy (S1.4 and S4.1) due to a more comprehensive assessment conducted in 2025. In addition, the updated double materiality assessment no longer identified material impacts, risks or opportunities for topic E3 Water and marine resources. This is based on a reassessment of the ESRS definition of water, which adopts a narrower scope – focusing on withdrawals, discharges, and consumption, particularly in water-stressed areas – compared to Fortum’s broader interpretation in 2024. Under this interpretation, the previously reported material impacts are more appropriately addressed under E4 Biodiversity and ecosystems and S3 Affected communities and have been reclassified accordingly. This means that water is no longer considered material. Fortum’s current water use is largely seawater for cooling purposes that is discharged back to the sea. In 2025, Fortum's total water withdrawal was 1,450 million $m^3$ and water discharge was 1,449 million $m^3$, resulting in 0.6 million $m^3$ of consumption, which is less than1 ‰ of total water withdrawal. Also, only two sites in Poland that had water use in 2025 are located in water-stressed areas; neither of them showing signs of water availability issues.

All of the material impacts, risks and opportunities are covered by ESRS disclosure requirements, as Fortum has not identified any material entity-specific topics. The material topics are assessed on a strategic basis, and clear targets and action plans have been developed to ensure impacts and risks are addressed. For more information on these material impacts, risks and opportunities, including current financial effects, and how they are managed, see each topical section.

| IRO reference | Topic | Impact, risk or opportunity | Value chain location | Time horizon | Description |
|---|---|---|---|---|---|
| E1.1 | Climate change | Actual negative impact | Own operations | Medium-term | Producing GHG emissions in power and heat production. |
| E1.2 | Climate change | Actual negative impact | Own operations | Medium-term | Producing GHG emissions from use of fossil-based electricity (residual mix) in own operations. |
| E1.3 | Climate change | Actual negative impact | Upstream | Long-term | Producing GHG emissions in the production of electricity purchased from the market and sold to end-users unbundled with Guarantees of Origin (residual mix). |
| E1.4 | Climate change | Actual negative impact | Upstream | Medium-, long- term | Producing GHG emissions in production and transportation of fuels, materials, and components. |
| E1.5 | Climate change | Actual negative impact | Upstream, downstream | Long-term | Producing GHG emissions in the sourcing and end-use of natural gas sold to customers. |
| E1.6 | Climate change | Actual positive impact | Downstream | Short-, medium-, long-term | Offering low-carbon and reliable energy supply to support customers in decarbonising their processes. |
| E1.7 | Climate change | Risk | Own operations | Long-term | Policy and legal risk: Uncertainties around regulatory development in the EU affecting Fortum's reputation and profitability. |
| E1.8 | Climate change | Risk | Own operations | Long-term | Reputation risk: Failing to meet climate targets, including coal exit, as communicated to and requested by external stakeholders. |
| E1.9 | Climate change | Risk | Across | Long-term | Chronic climate risk: Increased average temperatures, (including water) affecting electricity, gas and heat demand, and supply and production continuity. |
| E1.10 | Climate change | Risk | Across | Long-term | Acute climate risk: Extreme weather events such as storms or heat waves and dry spells causing e.g. forest fires affecting power generation and transmission. |
| E1.11 | Climate change | Opportunity | Own operations | Long-term | Enhancing the value of Fortum's fossil-intensive businesses by phasing out coal and other fossil fuels. |
| E1.12 | Climate change | Opportunity | Across | Short-, medium-, long-term | External pressure to mitigate climate change leads to increased demand for low-carbon energy supply. |
| E2.1 | Pollution | Actual negative impact | Own operations, downstream | Medium-term | Air pollution due to nitrogen oxides ($NO_x$) and sulphur dioxide ($SO_2$) emissions produced in fuel combustion. |
| E2.2 | Pollution | Actual negative impact | Own operations | Short-, medium-term | Potential impact on the environment when using Substances of Concern (SoC) or Substances of Very High Concern (SVHC) in operations. |
| E4.1 | Biodiversity and ecosystems | Actual negative impact | Own operations | Long-term | Impact on aquatic biodiversity from hydropower production. Damming of rivers for example has negative impacts on fish and other fauna migration. |
| E4.2 | Biodiversity and ecosystems | Actual negative impact | Upstream, own operations | Long-term | Biodiversity impact from climate change pressure through GHG emissions from own operations and supply chains. Impact to biodiversity through global warming. The mechanism is global, but the biodiversity impact is local. |
| E4.3 | Biodiversity and ecosystems | Actual negative impact | Upstream | Long-term | Biodiversity loss through land use resulting from fuel procurement. Fuel procurement for Fortum's heating and cooling operations contributes to biodiversity loss through land use changes and climate change. The production of both bio- and fossil-based fuels degrades natural habitats and depletes resources locally. |
| E4.4 | Biodiversity and ecosystems | Actual negative impact | Own operations | Long-term | Land use impact from construction. Changes and loss of the natural environment at construction sites. In addition, increased impact from fragmentation and encroachment. At the operational stage, there may also be possible impacts on avifauna (mainly birds and bats) through collision risk and changes in migration routes. |
| E5.1 | Resource use and circular economy | Potential negative impact | Own operations | Long-term | Producing radioactive waste in nuclear power plant operations. Radioactive substances potentially ending up in the environment through the processing, storage, transportation and/or disposal of radioactive waste may cause environmental impacts. |
| S1.1 | Own workforce | Potential positive impact | Own operations | Short-term | Fortum provides secure employment through permanent, full-time jobs and by fostering attractive career and development opportunities for continued competence development. This increases employees' security, stability, job continuity, and peace of mind, and fosters commitment to the organisation. |
| S1.2 | Own workforce | Potential positive impact | Own operations | Short-term | All Fortum employees receive an adequate wage and Fortum is committed to ensuring gender-equal and adequate pay for all employees in all countries. |
| S1.3 | Own workforce | Potential positive and negative impact | Own operations | Short-, medium-term | Safety is considered a material and strategic issue at Fortum and Fortum strives for excellence in safety culture across all operations. Safety incidents have a negative impact on employee health and safety. |
| S1.4 | Own workforce | Potential negative impact | Own operations | Medium-term | Processing of personal data may have a potential negative impact on privacy and data protection rights of own workforce, e.g. if data is leaked or misused by third parties or internally. |
| S2.1 | Workers in the value chain | Potential negative impact | Upstream | Short-, medium-term | Negative impacts on working conditions and equal treatment of workers in the value chain, mainly through excessive working hours, inadequate wages, insufficient health and safety practices, limited right to collective bargaining, and gender inequality. These may have a negative impact on workers quality of life, health and wellbeing. |
| S2.2 | Workers in the value chain | Potential negative impact | Upstream | Short-term | Use of forced, involuntary or child labour violates human rights and children's rights. Fortum may be linked to those impacts through its supply chains. |
| S2.3 | Workers in the value chain | Potential negative impact | Upstream | Short-term | Safety incidents have negative impact on health and safety of contractors' employees who work at Fortum's sites. |
| S3.1 | Affected communities | Actual positive impact | Own operations | Medium-term | Fortum has positive socio-economic impacts on local communities around its sites by providing employment and indirect employment opportunities through purchases of products and services. In addition, land leasing and taxes provide income for local communities. |
| S3.2 | Affected communities | Potential negative impact | Own operations | Medium-term | Activities in Fortum's value chain, such as minority-owned wind power plants, and Fortum's development of possible new power plants, have potential impacts on the traditional land use modes, customary practices and modes of livelihood, e.g. traditionally practiced reindeer herding of indigenous peoples. |
| S4.1 | Consumers and end users | Potential negative impact | Own operations | Medium-term | Processing of personal data may have potential negative impact on customers' privacy and data protection rights, e.g. if data is leaked or misused by third parties or internally. |
| G1.1 | Business conduct | Potential positive and negative impact | Across | Medium-term | Material by management decision. Fortum considers effective compliance management, ethical business conduct, as well as the prevention and detection of corruption and bribery to be a basis of ethical corporate culture. |
| G1.2 | Business conduct | Potential positive and negative impact | Across | Short-term | Material by management decision. Fortum encourages employees and other stakeholders to raise concerns and report any misconduct when necessary and considers the protection of whistleblowers critical to building trust in the reporting channels. |
| G1.3 | Business conduct | Potential positive and negative impact | Upstream | Medium-term | Material by management decision. Managing relationships with suppliers is essential for effective management of sustainability and compliance related impacts and risks. |

## 1.5 Sustainability governance

### 1.5.1 Role of administrative, management and supervisory bodies




The decision-making bodies managing and overseeing Fortum's administration and operations are the General Meeting of Shareholders; the Board of Directors (the Board) with its Audit and Risk Committee (ARC), the Technology and Investment Committee (TIC), and the People and Remuneration Committee (PRC); and the President and Chief Executive Officer (CEO), supported by the Fortum Leadership Team (FLT).

The highest decision-making authority on sustainability- and business conduct -related matters is with the Board members, who share joint responsibility for these matters. In addition, both the ARC and the TIC have their specific duties and responsibilities defined in the charter. Members of the FLT and other senior executives support the Board in its decision-making on sustainability- and business conduct -related matters.

Sustainability is an integral part of Group strategy. In accordance with the Board charter, the Board is responsible for strategic development and steering of the Group's business, setting and following up on performance targets, including sustainability-related targets, as well as for reviewing and approving the sustainability statement. Sustainability risks and opportunities are taken into consideration when making strategic choices, including major transactions, and when setting performance targets.

Sustainability risks and opportunities are managed through the same risk management framework, governance, and processes as the other risks and opportunities. The Board has the supervisory and oversight role to ensure that risk management of the company is properly organised. The Board is also responsible for confirming operating principles and Group policies, including the Code of Conduct, the Sustainability Policy and the Risk Policy, as well as for overseeing their implementation to ensure that also sustainability-related matters are appropriately managed.

In accordance with its charter, the ARC monitors the sustainability reporting process. The ARC is responsible for informing the Board of the outcome of the assurance of sustainability reporting, how the assurance of sustainability reporting has contributed to the integrity of reporting, and what role the ARC has had in the sustainability reporting assurance process. The ARC prepares the recommendation for the Board regarding the election of the external auditor and the sustainability reporting assurance provider, and it evaluates the independence of the external auditor and the sustainability reporting assurance provider. The ARC regularly meets with the principal authorised sustainability auditor to discuss and review the assurance plan, assurance processes and observations. The ARC also reviews the description of the main features of the internal control and risk management systems for the sustainability reporting processes, and monitors material sustainability-related risks and uncertainties. Further, the ARC monitors the efficiency of the company's compliance and risk management systems, as well as monitors and assesses the legal and business ethics compliance, including following up on any cases of misconduct related to business conduct or violations of the company's Code of Conduct.

The TIC assesses and reviews recommendations for the Board on sustainability-related matters, including policies and targets, but excluding reporting.

The FLT, led by the President and CEO, is responsible for setting the Group's sustainability objectives, proposing sustainability targets for Board approval, and monitoring sustainability performance on a monthly, quarterly, or annual basis, depending on the specific target. The FLT reviews and the Board approve amendments to the Sustainability Policy. Execution of the climate transition plan is monitored by the FLT's Strategy and Capital Allocation Committee (SCAI) on a regular basis.

The Chief Financial Officer has executive-level responsibility for the CSRD-compliant sustainability statement, including the related reporting process and controls, as well as the overall ownership of the Enterprise Risk Management process, including material sustainability risks and opportunities. The Executive Vice President, Sustainability and Corporate Relations has the overall responsibility for sustainability, including the development, execution and oversight of the Group's sustainability activities, such as the Sustainability Policy and related Group-level instructions, sustainability targets and monitoring performance, as well as the double materiality assessment process, including the identification of material impacts.

Material sustainability-related impacts, risks and opportunities are reported to the ARC and the FLT at least annually, see list in 1.4.2 Material impacts, risks and opportunities. The management of impacts, risks and opportunities, and the related assessment process is integrated into the annual governance processes utilising relevant experts across the company. Responsibility for providing a consolidated view on Fortum's production portfolio, its long-term development, and its alignment with the Group strategy and sustainability-related targets falls under the Strategy function.

### Composition and diversity of the members of administrative, management and supervisory bodies

Information on the composition of the Board is presented in the table below:

| As indicated | 2025 | 2024 |
|---|---|---|
| Number of executive members | 0 | 0 |
| Number of non-executive members | 9 | 9 |
| Board's gender diversity ratio, female to male | 3:6 | 3:6 |
| Proportion of independent board members, % | 100 | 100 |

With regard to the Board's gender diversity ratio, the Shareholders' Nomination Board applied the Board diversity principles in line with the Finnish Corporate Governance Code 2025 in preparing the proposal for the nomination of Board members for the Annual General Meetings (AGM) 2025 and 2026. The composition of the Board as elected by the AGM 2025 is nine members, of whom three are female and six are male. The proposal of the Shareholders' Nomination Board for the Board members for the AGM 2026 consists of four females and six males. If the candidates proposed by the Shareholders' Nomination Board are elected to the Board of Directors by the AGM 2026, the new gender ratio will be 40% and 60%, respectively, and thus fully in line with the goal set forth in the Finnish Companies Act on ensuring that at least 40% of the members of the Board of Directors are from the underrepresented gender by the end of June 2026.

The Board does not have employee or other worker representation. However, Fortum has an informal Advisory Council consisting of representatives of Fortum's different key stakeholder groups as invited by the Board of Directors. The Advisory Council aims at maintaining and furthering the dialogue with key stakeholders to advance Fortum's interests, brand and reputation. The Advisory Council regularly discusses with the President and CEO, senior executives, and the Board of Directors topics disclosed by the Company related to Fortum's operations and development. The Advisory Council currently consists of 15 individuals (2024: 15) representing Fortum's different stakeholder groups, including three employee representatives. The Advisory Council convened a total of three times in 2025.

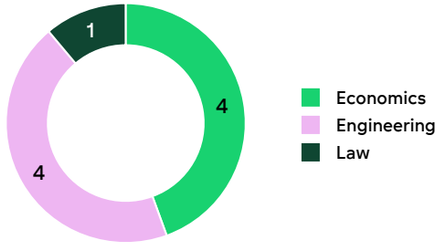
### Ensuring skills and expertise for sustainability oversight by administrative, management and governance bodies

The purpose and task of Fortum's Shareholders' Nomination Board is to prepare proposals on the remuneration, the number of Board members, and the composition of the Board for the General Meeting. It also seeks successor candidates to the Board. The Shareholders' Nomination Board consists of three members appointed by the three largest shareholders. The Shareholders' Nomination Board applies diversity principles to the Board of Directors in line with the Finnish Corporate Governance Code, according to which the Board composition shall include expertise from the geographical areas where Fortum conducts its business. The underlying profession of Board members shall include such competencies that supports the implementation of Fortum's strategy, and that enables the Board members to challenge management decisions and to exercise oversight, emphasising experience gained in a CEO-level management position in an international business, as well as strong expertise in sustainability, energy industry and digitalisation, in particular.

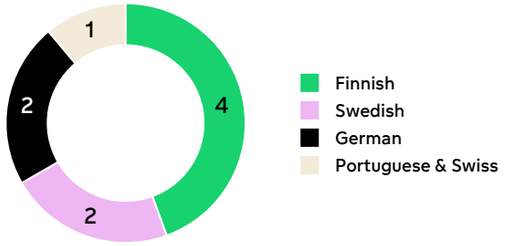
The Board of Directors collectively has gained extensive leadership experience in global energy, power systems, and industrial sectors, including electricity transmission and sustainable energy solutions. Members have held senior executive roles within the fields of renewable energy, biofuels and engineering services, consulting, digital transformation, financial services as well as sustainable bioeconomy and in various industries, supporting Fortum's strategic focus on low-carbon energy and decarbonisation. Geographically, the Board's experience covers the Nordics and Europe, and also international markets, ensuring strong insight into Fortum's core regions and global operations.

Information on the education and nationality of the Board members is depicted in the following charts:

**Education (number of persons)**




**Nationality (number of persons)**




The Shareholders' Nomination Board has deemed that both the current Board composition and the Board member candidates proposed to be elected by the AGM 2026 possess the competences defined in the diversity principles in a well-balanced manner.

### Information provided to and sustainability matters addressed by Fortum's administrative, management and supervisory bodies

In 2025, sustainability reporting was incorporated into Fortum's processes, including the Board and ARC agendas; e.g., during the year the Board and the ARC followed interim sustainability key performance indicators as part of the quarterly reporting. Further, the Board approved updates to the Sustainability Policy. In accordance with its role, the ARC, e.g., reviewed updates to the double materiality assessment and material topics, the external assurance plan and assurance observations, results of the annual key internal controls assessment, as well as the disclosures in the sustainability statement, including the list of material impacts, risks and opportunities.

Biodiversity targets were on both the Board and TIC agendas. The topic received particular focus during the Board's site visit to Fortum's hydropower plant in Muhos, Finland, in September 2025. In accordance with its role, the TIC reviewed the updated sustainability targets proposed by the FLT. In parallel, the TIC also conducted a review of Fortum's decarbonisation projects in Poland.

### 1.5.2 Sustainability-related performance in incentive schemes

The Remuneration Policy for the governing bodies sets out the remuneration principles for the President and CEO, as well as for the Board.

The Board annually decides on the Group-level sustainability targets to be included in the incentive schemes. Current incentive schemes include elements that are linked to climate and safety impacts and targets.

Fortum has a short-term incentive (STI) programme applicable to all personnel, which includes safety and security as one element. As in 2024, the safety and security target in the 2025 STI plan included completion of key safety and security actions to improve safety and security culture in five focus areas: leadership, contractor management, risk awareness, learnings and skills, and resilience and compliance. The weight of the safety and security target in the incentive programme was 10%. In addition to the financial and safety and security targets, the 2025 STI plan also included customer satisfaction and operational measures (fleet availability), each having a weight of 10%.

The long-term incentive (LTI) programme, applicable to top management and other key employees, consists of annually commencing individual plans with a three-year performance period. Performance measures, weights and targets are set by the Board to ensure that they continue to support the company strategy, and they typically include financial, share-price-related and sustainability measures. In the 2023–2025 LTI plan, the ESG measure was linked to emission reduction targets based on climate science (SBTi 1.5°C) and related to emissions in Europe, and to Fortum's reputation index development among key stakeholders. In the 2024–2026 and 2025–2027 LTI plans, the sustainability measures are based on the development of a pipeline of renewable energy to respond to future demand-driven growth and emission reduction targets aligned with SBTi. In the 2023–2025, 2024–2026 and 2025–2027 LTI plans, the weight of the sustainability measure is 30%.

Board members are not in an employment relationship with Fortum and, therefore, they are not able to participate in Fortum's STI or LTI programmes.

See also Note 10 Employee benefits and Board remuneration.

### 1.5.3 Risk management and internal controls over sustainability reporting

The requirements for internal controls are set in Group policies, Group instructions and the internal control framework, which is based on the main elements of the framework introduced by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). The internal control framework is designed to support operational effectiveness and efficiency, reliable financial and sustainability reporting, and compliance with applicable laws, regulations and policies, defining the minimum requirements for key processes.

Key risks for sustainability reporting have been identified by analysing potential causes for error in the reporting process and the likely impact on the quality of reporting. The overall risk in sustainability reporting is material misstatement due to, e.g., incompleteness or inaccuracy of reported information. In addition, the preparation of the sustainability statement requires significant judgement, such as in determining material topics. In the rapidly developing reporting landscape, non-compliance with applicable laws and regulations is also a key risk. Key controls have been defined to address the main risks identified in the end-to-end reporting process.

Environmental, social and business conduct data used for sustainability reporting are entered into five source systems by sites and business units and consolidated and governed centrally by the Finance function. The Corporate Sustainability, People, Procurement, and Compliance & Ethics functions provide content expertise. Control activities, such as automated IT controls, data entry approval, reconciliations, analytical review and checklists, are applied throughout the sustainability reporting process, including the double materiality assessment, to prevent or to detect and correct errors and deviations. Responsibilities have been clearly assigned between the different Group functions and business units. Group Accounting ultimately ensures that sustainability reporting disclosures comply with applicable laws and regulations.

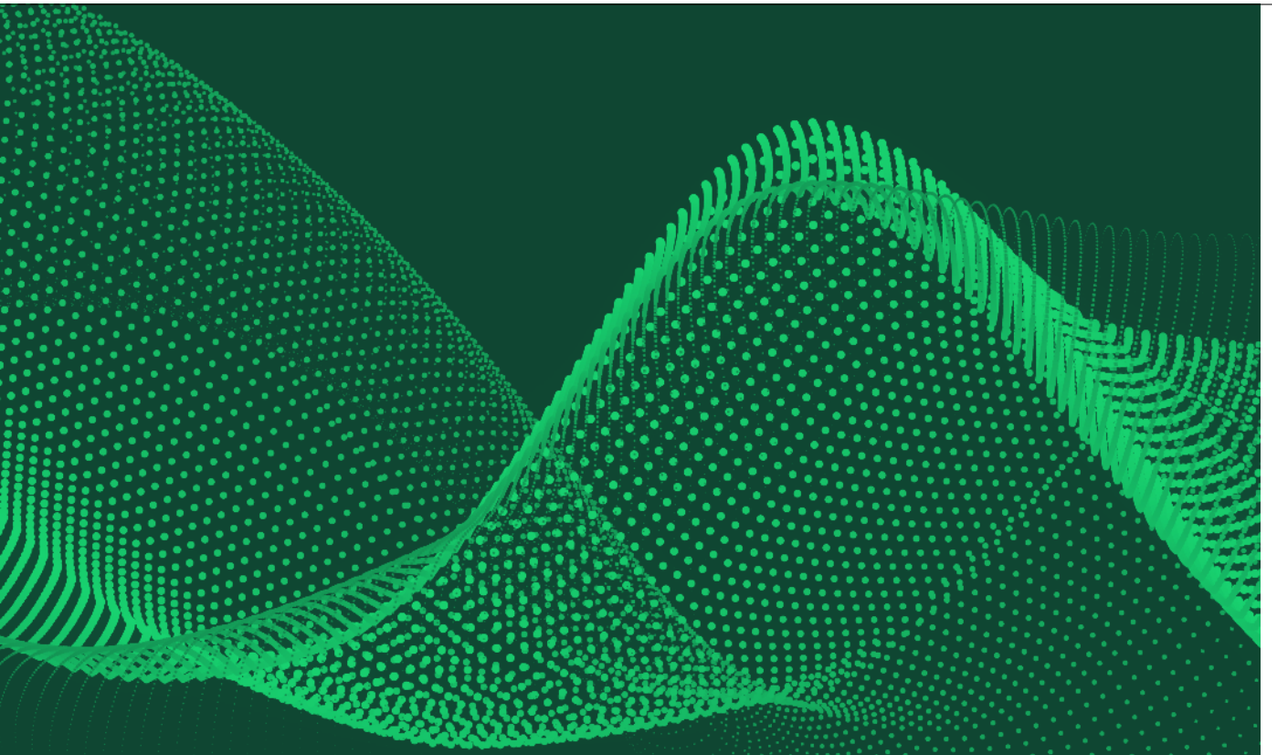
The effectiveness of key internal controls is assessed annually as part of Group-wide internal controls maturity assessments and identified improvement actions are reported to the FLT and the ARC. Internal control design and operating effectiveness are also assessed as part of the audits carried out by Internal Audit. Audit results, including corrective actions and their status, are regularly reported to the management and the ARC.

## 1.5.4 Statement on sustainability due diligence

Fortum's approach to due diligence is based on the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. The table below summarises where the key elements of human rights and environmental due diligence processes are described in this sustainability statement.

| Core elements on due diligence | Section(s) |
|---|---|
| Embedding due diligence in governance, strategy and the business model | 1.5 Sustainability governance |
| | 2.1.2 Policies on environmental matters |
| | 2.2.5 Targets for climate change |
| | 2.3.4 Targets for pollution |
| | 2.4.4 Targets for biodiversity |
| | 2.5.4 Targets for resource use and circular economy |
| | 3.1.2 Policies on social matters and respect for human rights |
| | 3.2.4 Targets for own workforce |
| | 3.3.4 Targets for workers in the value chain |
| | 3.4.4 Targets for affected communities |
| | 3.5.4 Targets for privacy of consumers and own workforce |
| Engaging with affected stakeholders in all key steps of the due diligence process | 1.3.2 Interests and views of stakeholders |
| | 3.2.6 Engaging with own workforce on impacts |
| | 3.3.6 Engaging with value chain workers on impacts |
| | 3.4.6 Engaging with affected communities on impacts |
| Identifying and assessing adverse impacts | 1.4.1 Double materiality assessment process |
| | 2.2.2 Material impacts, risks and opportunities for climate change |
| | 2.3.2 Material impacts, risks and opportunities for pollution |
| | 2.4.2 Material impacts, risks and opportunities for biodiversity |
| | 2.5.2 Material impacts, risks and opportunities for resource use and circular economy |
| | 3.2.2 Material impacts, risks and opportunities for own workforce |
| | 3.3.2 Material impacts, risks and opportunities for workers in the value chain |
| | 3.4.2 Material impacts, risks and opportunities for affected communities |
| | 3.5.2 Material impacts, risks and opportunities related to privacy of consumers and own workforce |

| Core elements on due diligence | Section(s) |
|---|---|
| Taking actions to address those adverse impacts | 2.2.5 Targets for climate change |
| | 2.2.6 Transition plan for climate change mitigation |
| | 2.2.7 Actions and resources for climate change |
| | 2.3.5 Actions and resources for pollution |
| | 2.4.6 Actions and resources for biodiversity |
| | 2.5.5 Actions and resources for resource use and circular economy |
| | 3.2.5 Taking action and tracking effectiveness of actions on own workforce |
| | 3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain |
| | 3.4.5 Taking action and tracking effectiveness of actions on affected communities |
| | 3.5.5 Taking action on privacy of consumers and own workforce |
| | 4.5 Management of relationships with suppliers |
| Tracking the effectiveness of these efforts and communicating | 2.2.7 Actions and resources for climate change |
| | 2.2.8 Metrics for climate change |
| | 2.3.6 Metrics for pollution |
| | 2.4.7 Metrics for biodiversity |
| | 2.5.6 Metrics for resource use and circular economy |
| | 3.2.5 Taking action and tracking effectiveness of actions on own workforce |
| | 3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain |
| | 3.4.5 Taking action and tracking effectiveness of actions on affected communities |
| | 4.5 Management of relationships with suppliers |



# 2 Environmental sustainability



## 2.1 Introduction

### 2.1.1 Introduction to environmental sustainability

Environment is at the core of Fortum's strategy and operations. Climate change, pollution, biodiversity and ecosystems, as well as resource use and circular economy are material environmental topics for Fortum.

Fortum's target is to reduce greenhouse gas emissions across its operations and value chain, in alignment with the goals of the Paris Agreement and the requirements of the Science Based Targets initiative (SBTi). Fortum assesses the life-cycle impact of its products and projects and aims to improve their energy and resource efficiency. Fortum also aims at preventing pollution by adopting low-carbon technologies, optimising processes, and reducing waste generation, where feasible.

Fortum aims at reducing its emissions to air, land and water. Fortum also assesses its impacts and dependencies on biodiversity and ecosystem services, aiming to reduce negative impacts on the natural environment and to improve biodiversity in connection with its operations.

### 2.1.2 Policies on environmental matters

The key policies to address the management of environmental impacts, risks and opportunities on Fortum's operations and the value chain are the Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy. These policies are approved by the Board of Directors and are accompanied by instructions and guidelines to guide implementation. The Fortum Leadership Team is accountable for the implementation of the policies in their responsibility areas. The policies apply to all employees, businesses and corporate functions in all operating countries, and the Supplier Code of Conduct sets the expectations for Fortum's suppliers. The above-mentioned policies are available on Fortum's website.

The Code of Conduct states Fortum's commitment to act with due care to ensure environmentally sound business practices and the responsible use of natural resources, to mitigate climate change and to protect biodiversity in all phases of operations, and to continuously improve environmental performance, while supporting the decarbonisation of industries and societies.

The Sustainability Policy describes Fortum's commitments and ambition level towards material environmental issues. Views of affected stakeholders are taken into account when compiling the Sustainability Policy. These stakeholders include customers, personnel, service and goods suppliers, local communities and non-governmental organisations (NGOs).

Commitments related to different environmental topics are described under each topical policy chapter.

Key policies and instructions on environmental matters are presented in the table below. Policies and instructions marked with 'OO' relate to own operations. Those marked with 'VC' aim to address the impacts, risks and opportunities within the value chain, although not all of them are directly binding on value chain actors.

| Document name | Climate Change | Pollution | Biodiversity and ecosystems | Resource use and circular economy |
|---|---|---|---|---|
| **Key policies, instructions and manuals** | | | | |
| Code of Conduct (OO, VC) | ● | | ● | |
| Supplier Code of Conduct (VC) | ● | ● | ● | ● |
| Sustainability Policy (OO, VC) | ● | ● | ● | ● |
| Biodiversity Manual (OO, VC) | | | ● | |
| Fortum's Paris-Aligned Climate Advocacy Principles (OO, VC) | ● | | | |
| **Other related policies, instructions and manuals** | | | | |
| Group Risk Policy (OO, VC) | ● | ● | ● | ● |
| Sustainability Governance Model (OO) | ● | ● | ● | ● |
| Investment Manual (OO, VC) | ● | ● | ● | ● |
| Instructions and Minimum Requirements for EHS Management (OO, VC) | | ● | ● | ● |
| Forest Management Guidelines (OO) | | | ● | |
| Fortum Nuclear Generation Safety and Quality Policy (OO) | | | | ● |
| Group Counterparty Risk Instruction (OO, VC) | ● | ● | ● | ● |

## 2.2 Climate change

### 2.2.1 Introduction to climate change

Climate change is a major global driver reshaping Fortum's operating environment. The growing body of evidence on human-induced warming underscores the urgent need for deep and rapid reduction in greenhouse gas emissions and for enhancing carbon sinks. In order to stay within the 1.5 °C limit, the global emissions must decline by about half by 2030 and must reach net-zero around mid-century. Achieving this requires a swift transition away from fossil fuels, complemented by carbon dioxide removal to address residual emissions. Climate change mitigation and adaptation require political commitment and ambitious actions from different players in society. The European Union has set an ambitious target to achieve climate neutrality by 2050 and aims to reduce greenhouse gas emissions by 55% by 2030.

### 2.2.2 Material impacts, risks and opportunities for climate change

Fortum's operations have both actual negative impacts and actual positive impacts on climate change and are subject to climate-related risks and opportunities. The impacts, risks and opportunities related to greenhouse gas (GHG) emission reductions and low-carbon energy sources relate to all business segments across upstream, downstream and own operations. Impacts, risks and opportunities surface in the short-, medium- and long-term, and risks are both physical and transitional.

Fortum has identified the following material climate change-related impacts, risks and opportunities in the double materiality assessment. For more information on the double materiality assessment process, see 1.4 Double materiality assessment.

| IRO reference | Description |
|---|---|
| **Actual negative impacts** | |
| IRO E1.1<br>IRO E1.2<br>IRO E1.3<br>IRO E1.4<br>IRO E1.5 | **Fossil fuel combustion releases carbon dioxide and other greenhouse gases that causes temperatures to rise and accelerate climate change and changes in rainfall, resulting in more floods, droughts, or intense rain, as well as more frequent and severe heat waves.** Fortum has identified negative climate change impacts produced by GHG emissions in the following operations:<br>• Power and heat production,<br>• Use of fossil-based electricity (residual mix) in own operations,<br>• Electricity purchased from the market and sold to end-users unbundled with Guarantees of Origin,<br>• Production and transportation of fuels, materials and components, and<br>• Sourcing and end-use of natural gas sold to customers. |
| **Actual positive impact** | |
| IRO E1.6 | **Offering low-carbon and reliable energy supply to support customers in decarbonising their processes.** Partnering with strategic customers and providing low-carbon energy through long-term contracts. |
| **Risks** | |
| IRO E1.7 | Policy and legal risk: **Uncertainties around regulatory development in the EU**, e.g., EU ETS, affecting Fortum's reputation and profitability.<br>Long-term risk: there was no material financial effect in 2025 and 2024. |
| IRO E1.8 | Reputational risk: **Failing to meet climate targets**, including coal exit, as communicated to and requested by external stakeholders.<br>Long-term risk: there was no material financial effect in 2025 and 2024. |
| IRO E1.9 | Chronic climate risks: **Increased average temperatures** (including water) affecting electricity, gas and heat demand, and supply and production continuity.<br>Fortum's profitability is sensitive to changes in weather; changes in temperature affect demand for power and may impact power price. It is not possible to isolate the financial effect of increased average temperatures on sales. |
| IRO E1.10 | Acute climate risks: **Extreme weather events,** such as storms or heat waves and dry spells, causing, e.g., forest fires affecting power generation and transmission locally. Fortum's profitability is sensitive to changes in weather; changes in weather conditions impact power price and/or local production volumes. The risk is partially mitigated by Fortum's geographically distributed production fleet. It is not possible to isolate the financial impact of extreme weather events on sales. E.g., in July-August 2025, Fortum had to decrease the power generation capacity of the Loviisa nuclear power plant due to exceptionally high sea water temperature. Extreme weather in 2025 and 2024 had no material financial effect on Fortum's assets. |
| **Opportunities** | |
| IRO E1.11 | **Enhancing the value of Fortum's fossil-intensive business by phasing-out coal and other fossil fuels**. Long-term opportunity: there was no material financial effect in 2025 and 2024. |
| IRO E1.12 | **External pressure to mitigate climate change leads to increased demand for low-carbon energy supply.**<br>The production of low-carbon electricity is an integral part of Fortum's corporate strategy, and Fortum is actively looking for partners for long-term power purchase agreements (PPA). The Pjelax wind farm, with a total capacity of 380 MW, was commissioned in July 2024, and the Finnish energy company Helen Ltd. has a 12-year 'pay-as-produced' PPA to purchase 65% of the power generation. In 2024, a five-year PPA was signed with the Swedish ferroalloy's producer Vargön Alloys AB. The contract has progressive pricing for the delivery of approx. 0.4 TWh of electricity and GoO for nuclear power per annum in Sweden. The contract term is from December 2024 to December 2029. |

Management of these impacts, risks and opportunities is described in section 2.2.6 Transition plan for climate change mitigation.

Fortum is not aware of a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the consolidated financial statements. Fortum prepares its consolidated financial statements under IFRS Accounting Standard, recognising asset impairments immediately and liabilities when a

present obligation exists, and recognition criteria are met. See Note 1 Material accounting policies. Fortum's approach to impairment testing is disclosed in Note 20 Impairment testing.

### 2.2.3 Policies on climate change

Key policies to address climate change mitigation and adaptation are the Sustainability Policy, the Code of Conduct, the Supplier Code of Conduct, and Fortum's Paris-Aligned Climate Advocacy Principles.

In accordance with the Sustainability Policy, Fortum addresses risks posed by climate change, including extreme weather events and changing conditions, and implements measures for climate change adaptation to enhance its resilience in protecting its assets and to ensure business continuity. The Sustainability Policy also states that Fortum assesses the life-cycle impact of its products and projects and aims to improve their energy efficiency.

The Code of Conduct addresses Fortum's ambition to strive for climate change mitigation in all phases of operations, in alignment with the goals of the Paris Agreement and the requirements of the SBTi, as well as with Fortum's strategy to support the decarbonisation of industries and societies. Renewable energy deployment is not specifically mentioned but it is part of Fortum's commitment to support decarbonisation and to provide customers and societies with energy at scale.

The Supplier Code of Conduct outlines the requirements for suppliers and business partners, including requesting suppliers to consider the climate impacts of their operations and to reduce GHG emissions, where reasonable. The Paris-Aligned Climate Advocacy Principles guide the more detailed positions Fortum takes on EU and country-specific policies and also form the basis for policy advocacy in industry associations.

Environmental sustainability, including climate change, is also incorporated in the other related policies, instructions and manuals outlined in section 2.1.2 Policies on environmental matters.

### 2.2.4 Resilience analysis

Fortum considers a landscape of five strategic, long-term macro scenarios in its operating environment outlook to analyse resilience. The scenarios are formed exploratively and are defined by distinct potential developments in four first-order drivers: level of cooperation, government versus market, societal focus on climate and environment, and technology development; and two second-order variables: macro- and geo-economics, and climate and ecosystem stability. The scenarios consider resiliency in both the mid-term (2030) and long-term (2050) in all Fortum's key business areas and operating countries. Both qualitative and quantitative inputs and uncertainties are considered in the scenario landscape, and three of the five identified strategic scenarios are quantified in further detail using power market modelling:

- A delayed transition scenario (with global warming of more than 3°C), in which national security, economy and/or political polarisation push the climate crisis and mitigating actions outside of societal focus.
- An ambition meets realism scenario (with global warming of 2.5–2.8°C), where high climate ambitions share focus with other national interests as current economic and political uncertainties continue, in addition to real-life frictions from, e.g., technology costs and supply chains.
- A policy-driven accelerated transition scenario (Paris-aligned, with global warming of 1.5–1.9°C) that is defined by a substantial societal step-up in climate mitigation actions, leading to a global war-time-economy-like mobilisation of resources.

The power market modelling is done for the whole European power system, on 1-hour resolution from the current year to 2050, in the three strategic scenarios described and considering high/low sensitivities for energy commodity prices and weather-based variation. Key assumptions and inputs assess the key uncertainties, including political targets and regulation, power, heat and hydrogen demand in sectors, energy technology costs, generation potentials and profiles, commodity volumes and prices (e.g., gas, oil, coal, $CO_2$), grid and other energy infrastructure and macroeconomic variables. Key outputs include wholesale power prices, installed capacity and power generation by generation technology, power demand by sector and segment, and energy sector $CO_2$ emissions.

These scenarios sufficiently cover both extremities of the potential climate scenario range, as any scenario of over 3°C is expected to present similar transition considerations, and a transition of under 1.5°C is not considered likely. In addition, implications from all five qualitative scenario narratives are considered in the Group's strategy to deliver energy and drive decarbonisation in industries.

Transition events based on the scenario and resilience analyses were considered in the double materiality assessment. It considers both actual and potential transition and physical risks in the energy and materials value chains. No specific exclusions were made before the double materiality assessment.

A transition to a low-carbon and resilient economy will affect the surrounding areas. Among others, Fortum recognises that decarbonising heavy industries through direct and indirect electrification increases electricity consumption. The power system will need low-carbon sources of both firm and flexible capacity. While the transition away from fossil fuels is causing less dependency on imports, the growth of solar and wind generation is increasing the need for security of supply.

The scenario and resilience analyses inform Fortum's annual strategy process, ensuring that operations are optimally aligned with the evolving operational landscape. The least risky course of action is to decarbonise power production effectively in the short- and medium-term; this strategy, combined with a focus on the Nordic energy market, ensures sufficient access to capital, profitability, and a secure energy supply.

The assets and business activities at risk are considered in the double materiality assessment and the results of the assessment guide the definition of climate targets, investment decisions, as well as current and planned mitigation actions. These actions are further elaborated in section 2.2.6 Transition plan for climate change mitigation, including a description of Fortum's ability to adjust and adapt its strategy and business model to climate change over the short- medium- and long-term.

## 2.2.5 Targets for climate change

Fortum's climate change-related targets and performance against them is presented in the table below:

| | Measure | Base year | Base-year value [1] | Target year | 2025 | 2024 | Change compared to base year, % | Change compared to previous year, % |
|---|---|---|---|---|---|---|---|---|
| **Targets for own energy production** | | | | | | | | |
| 1. Coal exit in the company's own operations (2027) [2] | GW | N/A | N/A | 2027 | 1.0 | 1.0 | N/A | 0 |
| 2. Specific emissions of <20 $gCO_2$/kWh from total energy production (2028) | $gCO_2$/kWh | N/A | N/A | 2028 | 16 | 26 | N/A | -37 |
| 3. Specific emissions of <10 $gCO_2$/kWh from power generation (2028) | $gCO_2$/kWh | N/A | N/A | 2028 | 8 | 11 | N/A | -28 |
| 4. Reduce Scope 1 and 2 (market-based) GHG emissions from electricity and heat generation by 85% per MWh (2030) [3] | $tCO_2$-eq/MWh | 2023 | 0.024 | 2030 | 0.019 | 0.018 | -18 | 7 |
| 5. Reduce Scope 1 and 2 (market-based) GHG emissions from electricity and heat generation by 90% per MWh (2040) [3] | $tCO_2$-eq/MWh | 2023 | 0.024 | 2040 | 0.019 | 0.018 | -18 | 7 |
| **Targets for electricity sales** | | | | | | | | |
| 6. Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 69% per MWh (2030) [3] | $tCO_2$-eq/MWh | 2023 | 0.13 | 2030 | 0.11 | 0.11 | -14 | -1 |
| 7. Reduce Scope 1 and 3 GHG emissions from fuel- and energy-related activities covering all sold electricity by 94% per MWh (2040) [3] | $tCO_2$-eq/MWh | 2023 | 0.13 | 2040 | 0.11 | 0.11 | -14 | -1 |
| **Targets for gas and heat sales** | | | | | | | | |
| 8. Reduce absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 55% (2033) | $tCO_2$-eq | 2023 | 949,800 | 2033 | 1,395,800 | 1,266,500 | 47 | 10 |
| 9. Reduce absolute Scope 3 GHG emissions from use of sold products for sold fossil fuels by 90% (2040) | $tCO_2$-eq | 2023 | 949,800 | 2040 | 1,395,800 | 1,266,500 | 47 | 10 |
| 10. Reduce absolute Scope 3 GHG emissions from fuel- and energy-related activities by 90% (2040) | $tCO_2$-eq | 2023 | 1,005,900 | 2040 | 886,200 | 962,800 | -12 | -8 |

1) Base-year values exclude the recycling and waste business divested in November 2024. Base-year values have not been assured.
2) Coal-based capacity for power and heat. Coal-based power and heat production, as well as coal share of sales is presented in 2.2.8 Metrics for climate change.
3) The target boundary includes land-related emissions and removals from bioenergy feedstocks.

Fortum commits to reaching net-zero GHG emissions across the value chain by 2040. The SBTi has validated Fortum's science-based near-term (targets 4, 6 and 8 in the table above) and long-term targets (targets 5, 7, 9 and 10 in the table above). Climate targets have been set by using SBTi's sectoral decarbonisation approach in line with the goal of the Paris Agreement limiting warming to 1.5°C, and in accordance with the SBTi Corporate Near-Term Criteria and Corporate Net-Zero Standard. The recycling and waste business divested in late 2024 is excluded from the SBTi base year.

Target base years and baseline values are described in the table above. SBTi-aligned targets are based on the GHG inventory; the same inventory boundaries are used for the targets and the GHG inventory. The base year is selected in accordance with SBTi criteria, and the most recent year for which data was available at the time of SBTi validation was chosen as the base year. Fortum will periodically review its climate targets in accordance with the SBTi standard requirements, or when significant changes in the organisation structure, consolidation approach or calculation methodology occur. The estimated quantitative contribution of decarbonisation levers to the achievement of GHG emission reduction targets are disclosed in section 2.2.6 Transition plan for climate change mitigation.

In addition to SBTi validated climate targets, Fortum has also set targets for specific emissions from total energy production (<20$gCO_2$/kWh) and power generation (<10$gCO_2$/kWh) by 2028. Fortum is also committed to exiting coal in its own operations by 2027.

Based on the good progress in reducing GHG emissions from its own operations, Fortum achieved its 2028 targets for specific emissions from both total energy production and power generation already in 2025. Scope 1 and Scope 2 greenhouse gas intensity for electricity and heat production increased by 0.001 $tCO_2$-eq/MWh (7%) in 2025. The change was primarily driven by the reclassification of heat network losses from Scope 3 to Scope 2, and lower energy production volumes compared to 2024.

Scope 3 emissions from sold electricity decreased, reflecting higher sales of electricity bundled with Guarantees of Origin (GoO), which also contributed to a 0.002 $tCO_2$-eq/MWh (1%) reduction in GHG emissions intensity for electricity sales. Due to previously contracted volumes, gas sales increased, resulting in a 0.1 Mt $CO_2$-eq (10%) rise in greenhouse gas emissions from the use of sold gas. Emissions from sold heat decreased by 0.08 Mt $CO_2$-eq (8%) mainly due to the reclassification of emissions from heat network losses. For information on actions in 2025, see 2.2.7 Actions and resources for climate change.

## 2.2.6 Transition plan for climate change mitigation

Fortum has set near- and long-term company-wide emission reduction targets in line with the SBTi. The transition plan implies GHG emission reduction targets aligned with a 1.5°C global warming limit.

Fortum has set targets separately for own operations (Scope 1 and Scope 2), as well as for the upstream and the downstream value chain (Scope 3). SBTi-aligned climate targets include a reduction of Scope 1 and Scope 2 GHG emissions intensity for power and heat production, a reduction of Scope 1 and Scope 3 category 3 GHG emissions intensity for sold electricity, and a reduction of GHG emissions from the use of sold natural gas (Scope 3, category 11). In addition, Fortum has set a target to reduce GHG emissions from fuel- and energy-related activities covering sold heat. Climate targets are presented in the section above.

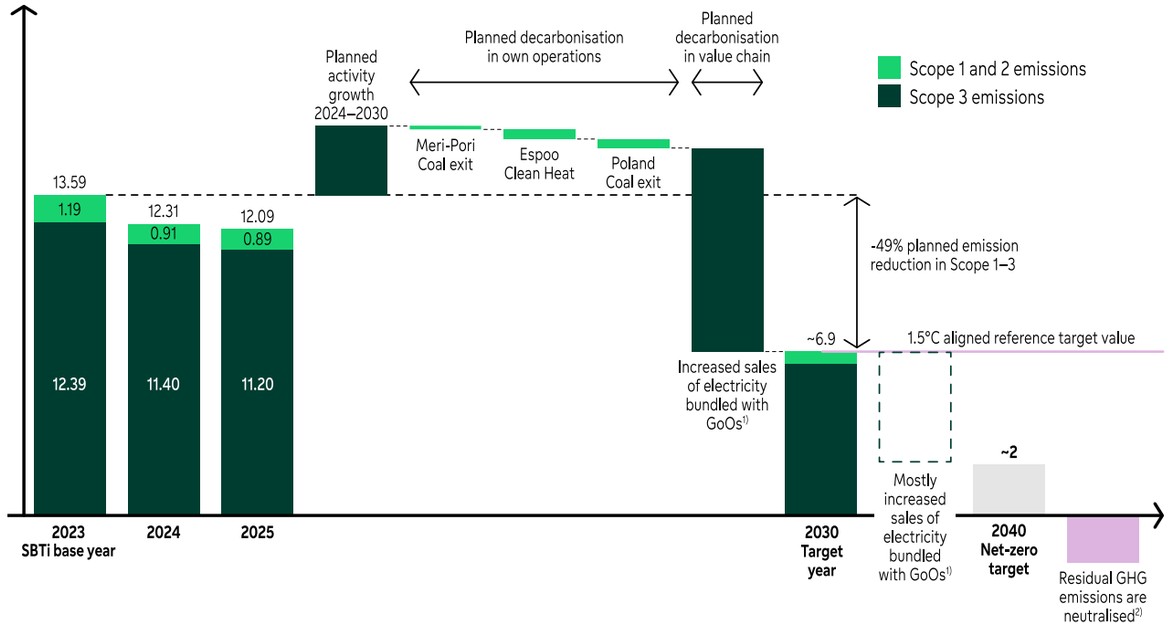
The transition plan defines actions and resources towards net-zero targets and is anchored with the overall business strategy and the strategic priorities: deliver reliable energy, drive decarbonisation of industries, and transform and develop. The plan is based on existing operations and business structure, and 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 standards. The main assumptions include, e.g., growth in power generation and sales. The plan transforms the business from fossil fuels to other energy sources (e.g. utilising waste heat and electric boilers), thus the impact on workforce is limited.

The transition plan has been approved by the CEO, with the support of the FLT, and presented to TIC. The execution of the transition plan will be followed in the Strategy and Capital Allocation Committee (SCAI) on a regular basis.

The following chart depicts Fortum's illustrative transition plan to 2040:

# Illustrative transition plan for climate change mitigation

**Total absolute fossil emissions (Mt $CO_2$-eq)**




1) 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.
2) Residual emissions are either decarbonised from our own value chain or neutralised to reach Net-zero emissions in 2040.

### Scope 1

The biggest GHG emission reduction lever for the Scope 1 GHG emissions intensity target is the exit of coal use in heat and power production, which is estimated to decrease Scope 1 GHG emissions by 68%.

In Finland, Fortum is committed to exit coal in the Meri-Pori coal-fired condensing power plant ($CO_2$ emission reduction of 14%). Additionally, the use of coal in heat production will be replaced by smart and flexible solutions that are largely based on renewable or nuclear-based electricity: waste heat utilisation, heat pumps, electric boilers and heat accumulators. This is estimated to decrease $CO_2$ emissions by approximately 22%.

In Poland, Fortum plans to replace coal with biofuels and electric boilers, which is estimated to decrease Scope 1 GHG emissions by approximately 32%. Bio-based $CO_2$ from the combustion of biofuels is assumed to be netted out, i.e., assuming removals for biomass growth equal to emissions. As a part of its updated biodiversity targets, Fortum is also committed to maintaining the negative impact on biodiversity from procured biomass at 2024 levels. This will be achieved by ensuring that increase in biomass use is done through purchasing certified residual biomass. See 2.4.5 Transition plan for biodiversity.

### Scope 2

Reducing GHG emissions from heat network losses in line with the Scope 3 target for external heat as well as purchasing of renewable or nuclear-based electricity for own use are the main levers for Scope 2 emission reduction.

### Scope 3

Scope 3 emissions will be reduced through supply chain decarbonisation.

For upstream emissions for electricity sales, the main decarbonisation lever will be increasing the share of renewable and nuclear-based electricity in the product portfolio in all markets, and especially in Norway and Poland, through product selection and electricity purchases. The estimated $CO_2$ emission reduction is 60%.

For downstream emissions for gas sales, the main decarbonisation lever will be successively increasing the share of biogas in the portfolio when available in the Polish market, especially among the enterprise customer segment, and actively participating in and contributing to the needed market development related to, e.g., new instruments for emission reduction.

To achieve the net-zero target for Scope 3 emissions, emissions related to external heat delivered to customers will also be reduced, primarily via phasing-out coal and transitioning to biomass, waste heat utilisation, heat pumps, heat storages and electric boilers in Poland.

### New low-carbon power generation capacity

In addition to these levers, increased low-carbon production capacity by 2030 will decrease Scope 1 GHG emissions intensity by approximately 5% compared to 2023. Fortum is planning to increase power generation capacity by installing new wind and solar plants and by modernising existing nuclear and hydropower plants. More information on new low-carbon generation capacity can be found in the section below.

### Locked-in GHG emissions

Fortum aims to decarbonise own operations through electrification and fuel switching. Emission reductions will be achieved on a fast schedule, with coal combustion phased out by 2027, in addition to the reduction of other fossil fuels. Subsequently, only fossil fuels that are harder to replace will remain, such as back-up power, peak capacity, and fuels used to start power plants. The estimated locked-in Scope 1 and Scope 2 GHG emissions produced during the remaining lifetime of existing power plants are approximately 2.6 million $tCO_2eq$ by 2030 and 4.4 million $tCO_2eq$ by 2050. Following the 2025 investment decision for the Zabrze CHP plant decarbonisation, the estimated locked-in emissions decreased significantly from 2024. GHG emissions from Fortum's operations are considered as locked-in until an investment decision is made.

### Alignment with EU Taxonomy criteria

The alignment of operating expenses and capital expenditure to the EU Taxonomy Climate Change Mitigation (CCM) objective is disclosed in section 2.6.3 EU Taxonomy KPIs. Fortum's transition plan and actions to meet the set targets are aligned with the CCM objective, and the EU Taxonomy Capital expenditure plan disclosed in section 2.6.5 Capital expenditure plan.

Based on Commission Delegated Regulation (EU) 2020/1818, Articles 12.1 (d) to (g) and 12.2, Fortum is not excluded from the EU Paris-aligned Benchmarks.

Fortum's progress in implementing the transition plan is described in 2.2.7 Actions and resources for climate change and in 2.2.5 Targets for climate change.

## 2.2.7 Actions and resources for climate change

### Actions during the year

In 2025, Fortum implemented the following actions to reduce GHG emissions in own operations and in the upstream value chain. Implemented actions are grouped by the decarbonisation lever.

Where indicated, investments are capitalised to property, plant and equipment (Note 18 Property, plant and equipment and right-of-use assets), and linked to EU Taxonomy classification (2.6.3 EU Taxonomy KPIs). Operating expenses relating to actions have not been significant in 2025 and 2024, nor are they expected to be in the future.

| Scope 1: Decarbonisation in own operations | Timing | Approx. GHG emission reduction | Total cost/ investment | Cost / investment in 2025 [1] |
|---|---|---|---|---|
| **Finland: Espoo Clean Heat programme increasing flexible electricity-based district heat production** | | | | |
| **Construction of electric boiler in Nuijala**<br>In 2025, construction of an electric boiler/heat storage continued in the Nuijala area. (CCM4.11 [2, 3]) | 2023–2027 | 360 thousand t $CO_2$-eq [4] | approx. EUR 300 million [4] | EUR 101 million [4] |
| **Construction of heat pumps utilising waste heat from data centre in Kolabacken and Hepokorpi**<br>In 2025, construction of heat pumps continued in the Kolabacken and Hepokorpi areas. (CCM4.25 [2, 3]) | 2023–2025 | | | |
| **Finland: Meri-Pori coal exit** | | | | |
| **Meri-Pori coal-fired power plant in strategic reserve**<br>Meri-Pori coal-fired condensing plant serves as a reserve production capacity under an agreement with the National Emergency Supply Agency (NESA). Production is reserved for severe disruption and emergencies to guarantee security of supply in the electricity system in Finland. | Apr 2024–Dec 2026 | 150 thousand t $CO_2$-eq | Not significant | N/A |
| **Poland: coal exit** | | | | |
| **Czestochowa combined heat and power plant (CHP) decarbonisation**<br>In 2025, the Czestochowa CHP plant's retrofit project from coal to biomass continued. (CCM4.20 [2, 3]) | 2024–2026 | 175 thousand t $CO_2$-eq | approx. EUR 100 million | EUR 42 million |
| **Zabrze combined heat and power plant (CHP) decarbonisation**<br>In 2025, the Zabrze CHP plant's retrofit project from coal to biomass and refuse-derived fuel (RDF) technology was started. | 2025–2027 | 280 thousand t $CO_2$-eq | approx. EUR 85 million | EUR 4 million |

1) Investments are capitalised to property, plant and equipment, see Note 18 Property, plant and equipment and right-of-use assets.
2) Reference to EU Taxonomy-aligned activity code, see 2.6.3 EU Taxonomy KPIs.
3) Included in the EU Taxonomy capital expenditure plan.
4) Total for Espoo Clean Heat programme.

| Scope 2: Purchasing renewable energy | Timing | Approx. GHG emission reduction | Total cost/ investment | Cost/ investment in 2025 |
|---|---|---|---|---|
| **Purchase of low-carbon electricity**<br>In 2025, 98% of electricity purchased for own use was based on renewable or nuclear energy sources. | 2024–2029 | 40 thousand t $CO_2$-eq | Not significant | Not significant |

| New low-carbon power generation capacity | Timing | Total cost/investment | Cost/ investment in 2025 [1] |
|---|---|---|---|
| **Hydropower productivity investments**<br>Continuous hydropower plant maintenance, legislative and productivity investments.<br>Investment to a production capacity increase in Swedish hydropower plants includes an extensive rebuild of the Forshuvud, modernisation of the Untra, as well as modernisation and increase production capacity of the Malta plants. The investments will increase annual production capacity by approx. 42 MW. (CCM4.5 [2, 3]) | Forshuvud 2021–2025; Untra 2023–2030; Malta 2024–2026 | Forshuvud: approx. EUR 58 million (SEK 640 million); Untra: EUR 80 million (SEK 890 million); Malta: approx. EUR 20 million (SEK 220 million) | EUR 141 million [4] |
| **Loviisa, Finland nuclear power plant lifetime extension to 2050**.<br>Over the course of the new licence period, the plant is expected to generate up to 177 TWh of electricity. (CCM4.28 [2, 3]) | 2023–2050 | approx. EUR 1,000 million | EUR 62 million |

1) Investments are capitalised to property, plant and equipment, see Note 18 Property, plant and equipment and right-of-use assets.
2) Reference to EU Taxonomy-aligned activity code, see 2.6.3 EU Taxonomy KPIs.
3) Included in the EU Taxonomy capital expenditure plan.
4) Includes hydropower plant maintenance, legislation and productivity investments.

### Planned future actions

In addition to the ongoing actions listed above, based on the transition plan, Fortum is planning to implement the following actions to reduce GHG emissions in own operations and in the upstream and downstream value chain.

| Action |
|---|
| **Scope 1: Decarbonisation in own operations** |
| **Investigate decarbonisation of remaining coal-based assets**<br>Fortum will continue evaluating alternatives for decarbonisation of the remaining coal-based capacity of 0.8 GW, Meri-Pori condensing power plant in Finland and heat-only-boilers in Poland, to meet the coal exit by 2027 target. |
| **Scope 2: Purchasing renewable energy** |
| Fortum commits to ensuring **low-carbon renewable or nuclear-based electricity use in own operations,** including existing operations, and new investments in heat pumps and electric boilers, in accordance with the target for Scope 1 and 2 GHG intensity reduction. |
| **Scope 3: Supply chain decarbonisation** |
| **Upstream: Consumer and small enterprise sector decarbonisation:** Fortum aims to provide exclusively electricity covered with guarantees of origin to consumers, entrepreneurs and small enterprises across all markets; to continue offering electricity covered with guarantees of origin as a base product in Sweden and Finland; and to gradually introduce electricity covered with guarantees of origin as a base product in Norway and Poland. Aiming to provide only electricity covered with guarantees of origin in these segments by 2030. |
| **Upstream: Medium and large enterprise sector decarbonisation:** Fortum will work towards providing mainly electricity covered with guarantees of origin in all markets, with the highest share in Sweden and Finland, as well as making a step-change in Norway and Poland, aiming for at least 70 % of volumes being covered by guarantees of origin by 2030. |
| **Downstream decarbonisation:** Key actions are related to reducing emissions from sold gas to end users in the Polish market. Fortum aims to develop the offering according to market development in the Polish gas market and to reduce emissions through reduced gas consumption among larger enterprise customers by reviewing the current customer portfolio and working together with strategic customers. Fortum is also investigating possibilities to reduce GHG emissions through an increased share of biogas in the portfolio. Fortum is also actively participating and contributing to the needed market development. |
| **New low-carbon power generation capacity** |
| Development of a **ready-to-build pipeline of 800 MW capacity in onshore wind and solar power.**<br>Fortum is developing sites in the Nordics to build onshore wind and solar power. E.g., in 2025, Fortum acquired ABO Energy's Finnish onshore wind development portfolio for approximately EUR 65 million (including earn-outs), adding roughly 4.4 GW of projects at various stages to its pipeline. It also acquired a 2.6-GW project development portfolio for renewable power from Enersense for approximately EUR 16 million (including earn-outs). With the acquired portfolio, Fortum's pipeline of onshore wind and solar projects in the permit process across the Nordic countries reaches approximately 8 GW, with more in early development. No investment commitments have been made. |

## 2.2.8 Metrics for climate change

The relevant climate change indicators are energy consumption, energy production and GHG emissions. Reporting of GHG emissions covers direct Scope 1 emissions from own operations, indirect Scope 2 emissions from purchased energy, and indirect Scope 3 emissions from the upstream and downstream value chain.

### Energy consumption

Fortum uses various fuels, such as uranium, coal, biomass, waste fuels and natural gas to produce electricity, heat and steam at its plants in the Nordic countries and Poland. In addition to fuels, the total energy consumption also includes purchased energy used in production plants and other facilities.

Energy consumption by source is presented in the table below:

| MWh or as indicated | 2025 | 2024 |
|---|---|---|
| Coal and coal products | 1,457,829 | 1,871,177 |
| Crude oil and petroleum products | 13,329 | 78,338 |
| Natural gas | 615,689 | 491,937 |
| Other fossil sources | 231,706 | 1,505,170 |
| Purchased or acquired electricity, heat, steam, and cooling from fossil sources | 20,371 | 49,037 |
| **Total fossil sources** | **2,338,924** | **3,995,659** |
| **Share of fossil sources in total energy consumption, %** | **8** | **13** |
| **Total nuclear sources** | **25,060,728** | **24,278,552** |
| **Share of nuclear sources in total energy consumption, %** | **87** | **81** |
| Renewable fuels | 1,330,381 | 1,688,034 |
| Purchased or acquired electricity, heat, steam, and cooling from renewable sources | 47,868 | 26,294 |
| Self-generated non-fuel renewable sources | 33,150 | 29,957 |
| **Total renewable sources** | **1,411,399** | **1,744,285** |
| **Share of renewable sources in total energy consumption, %** | **5** | **6** |
| **Total** | **28,811,051** | **30,018,496** |

In 2025, coal consumption decreased by 22%, driven by the closure of the Suomenoja coal-fired DHC plant in April 2024. Additionally, the use of waste-derived renewable and non-renewable fuels dropped significantly, by 71%, following the divestment of the recycling and waste business in November 2024.

## Energy production

Fortum's power generation is mainly based on low-carbon hydro and nuclear power with minor shares of wind power and CHP production based on fossil fuels and biomass. In addition to this, Fortum also produces district heating.

Energy production by source is presented in the table below:

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **MWh** | **Power** | **Heat** | **Power** | **Heat** |
| Nuclear | 22,113,410 | N/A | 24,272,710 | N/A |
| Natural gas | 144,000 | 455,000 | 93,000 | 340,000 |
| Coal | 330,017 | 730,516 | 441,328 | 942,231 |
| Waste-derived fuels | 89,261 | 136,839 | 145,942 | 528,282 |
| Fuel oil, other | 762 | 4,087 | 816 | 30,537 |
| Heat pumps, electricity | N/A | 978,000 | N/A | 961,000 |
| **Total non-renewable energy production** | **22,677,450** | **2,304,442** | **24,953,795** | **2,802,050** |
| Hydro | 18,499,139 | N/A | 20,239,503 | N/A |
| Wind | 1,014,104 | N/A | 910,047 | N/A |
| Biomass and other biofuels | 61,730 | 725,344 | 75,705 | 752,857 |
| Waste-derived fuels | 89,261 | 136,839 | 145,942 | 528,282 |
| Heat pumps, electricity | N/A | 78,875 | N/A | 0 |
| **Total renewable energy production** | **19,664,234** | **941,058** | **21,371,197** | **1,281,139** |
| **Total** | **42,341,684** | **3,245,500** | **46,324,992** | **4,083,189** |

The divestment of the recycling and waste business in November 2024 significantly impacted the production of power and heat by waste-delivered fuels.

The share of power generation from renewable and nuclear sources, coal-based capacity, the share of coal and fossil fuels of sales, as well as free emission allowances are presented in the table below. This table is providing additional, voluntary information relating to the coal exit target and EU ETS.

| **As indicated** | **2025** | **2024** |
|---|---|---|
| Share of power generation from renewable and nuclear sources [1], % | 99 | 99 |
| Coal-based capacity, GW | 1.0 | 1.0 |
| Coal-based power generation capacity, GW | 0.7 | 0.7 |
| Coal-based heat production capacity, GW | 0.4 | 0.4 |
| Share of coal of sales, % | 2 | 3 |
| Share of fossil fuels of production-based sales, % | 6 | 6 |
| Share of fossil fuels of sales [2], % | 13 | 12 |
| Free emission allowances [2], Mt | 0.1 | 0.1 |

1) Renewable sources include hydropower and wind.
2) Includes fossil-based production and gas sales.

## Energy intensity

Energy intensity based on net sales is presented in the table below:

| **EUR million** | **2025** | **2024** |
|---|---|---|
| Net sales from activities in high climate impact sectors [1] | 4,989 | 5,800 |
| Net sales from other activities | 0 | 0 |
| **Sales presented on the consolidated income statement** | **4,989** | **5,800** |

| **As indicated** | **2025** | **2024** |
|---|---|---|
| Total energy consumption from activities in high climate impact sectors, MWh | 28,811,051 | 30,018,496 |
| Net sales from activities in high climate impact sectors, EUR million | 4,989 | 5,800 |
| **Total energy consumption from activities in high climate impact sectors per net sales from activities in high climate impact sectors, MWh/EUR million** | **5,775** | **5,176** |

1) High climate impact sectors are those listed in NACE Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council. Fortum's activities in electricity production and trade, gas sales, heat production, treatment and disposal of non-hazardous and hazardous waste, and recovery of sorted materials are defined as high climate impact sectors.

## GHG emissions

Breakdown of GHG emissions is presented in the table below:

| | Retrospective | | | | Milestones and targets | | | |
|---|---|---|---|---|---|---|---|---|
| **$tCO_2$-eq or as indicated** | **Base year, 2023 [1]** | **2024** | **2025** | **Change, %** | **2030** | **2033** | **2040** | **Annual % target / Base year** |
| **Scope 1** | | | | | | | | |
| Gross Scope 1 [2] | 1,635,700 | 1,351,000 | 757,800 | -44 | 260,000 | — | 180,000 | -5 |
| Proportion of Scope 1 GHG emissions from EU ETS, % | 68 | 62 | 96 | 56 | | | | |
| **Scope 2** | | | | | | | | |
| Gross location-based Scope 2 | 57,400 | 46,700 | 179,400 | 284 | | | | |
| Gross market-based Scope 2 [2] | 44,800 | 24,500 | 130,600 | 434 | — | — | — | |
| **Significant Scope 3** | | | | | | | | |
| Total gross Scope 3 | 12,465,700 | 11,494,600 | 11,202,600 | -3 | | | | |
| 1 Purchased goods and services | 220,800 | 167,300 | 207,300 | 24 | | | | |
| 2 Capital goods | 61,500 | 95,700 | 73,700 | -23 | | | | |
| 3 Fuel- and energy-related activities [3] | 10,859,500 | 9,664,900 | 9,265,100 | -4 | 5,200,000 | — | 1,180,000 [5] | -5 |
| 4 Upstream transportation and distribution | 226,200 | 280,800 | 233,900 | -17 | | | | |
| 5 Waste generated in operations | 300 | 300 | 7,900 | 2505 | | | | |
| 6 Business travel | 3,700 | 4,300 | 5,800 | 34 | | | | |
| 7 Employee commuting | 2,300 | 2,500 | 4,800 | 90 | | | | |
| 8 Upstream leased assets | 1,000 | 1,500 | 300 | -79 | | | | |
| 9 Downstream transportation and distribution | 11,400 | 10,600 | 100 | -99 | | | | |
| 10 Processing of sold products | 700 | 200 | 0 | -100 | | | | |
| 11 Use of sold products | 949,800 | 1,266,500 | 1,395,800 | 10 | — | 430,000 | 90,000 [5] | -5 |
| 12 End-of-life treatment of sold products | 100 | 0 | 0 | 0 | | | | |
| 13 Downstream leased assets | 0 | 0 | 500 | 0 | | | | |
| 14 Franchises | 0 | 0 | 0 | 0 | | | | |
| 15 Investments | 128,500 | 0 | 7,600 | 0 | | | | |
| **Total** | | | | | | | | |
| **GHG emissions, location-based** | **14,158,800** | **12,892,300** | **12,139,900** | **-6** | | | | |
| **GHG emissions, market-based** | **14,146,200** | **12,870,100** | **12,091,000** | **-6** | | | | |

1) Values are excluding Recycling and waste business divested in November 2024.
2) Absolute milestones and targets for Scope 1 and Scope 2, market-based are included in Scope 1.
3) Absolute milestones and targets for Scope 3 category 3.
4) In 2025, GHG emissions from heat losses for purchased and resold heat were transferred from Scope 3, category 3 to Scope 2.
5) The figure has been updated to reflect revised calculation methodology.

In 2025, 98% (2024: 92) of electricity purchased for own use was bundled with renewable energy or nuclear GoO certificates.

In 2025, total market-based Scope 1, 2, and 3 GHG emissions amounted to 12.09 Mt $CO_2$-eq, representing a 0.78 Mt $CO_2$-eq, 6% reduction compared to 2024.

Scope 1 GHG emissions decreased by 0.59 million $CO_2$-eq tonnes, primarily driven by the divestment of the recycling and waste business in November 2024 (0.45 Mt $CO_2$-eq) and the closure of the Suomenoja coal-fired CHP plant in April 2024 (0.14 Mt $CO_2$-eq).

Scope 2 market-based GHG emissions increased by 0.11 Mt $CO_2$-eq as heat network losses were reclassified from Scope 3 to Scope 2. For Scope 3, GHG emissions from fuel- and energy-related activities declined by 0.4 Mt $CO_2$-eq mainly due to lower emissions associated with sold electricity. Conversely, an increase in gas sales volumes in the Polish market resulted an additional 0.13 Mt $CO_2$-eq. of downstream Scope 3 GHG emissions from the use of sold gas.

Fortum's biogenic $CO_2$ emissions are presented in the table below. Biogenic $CO_2$ emissions are generated in the combustion of biofuels and bio-based waste in own operations (Scope 1), as well as from production of heat sold to end users (Scope 2 and 3) and in the combustion of biofuels from partially owned companies (Scope 3).

| **Biogenic $CO_2$ emissions, $tCO_2$** | **2025** | **2024** |
|---|---|---|
| Scope 1 | 555,600 | 630,000 |
| Scope 2 [1)] | 17,700 | N/A |
| Scope 3 | 132,600 | 150,000 |

1) Scope 2 biogenic emissions have been added for 2025 to reflect the reclassification of heat network losses from Scope 3 to Scope 2. The value also includes biogenic emissions from purchased electricity.

## GHG intensity

GHG emissions intensity based on net sales is presented in the table below:

| **EUR million** | **2025** | **2024** |
|---|---|---|
| Net sales used to calculate GHG intensity | 4,989 | 5,800 |
| Net sales from other activities | 0 | 0 |
| **Sales presented on the consolidated income statement** | **4,989** | **5,800** |

| **GHG emissions per net sales, $tCO_2$-eq/EUR million** | **2025** | **2024** |
|---|---|---|
| Location-based | 2,433 | 2,223 |
| Market-based | 2,423 | 2,219 |

## Internal carbon pricing

Fortum uses an internal carbon pricing scheme to evaluate costs related to investments and emission reduction activities, and to support decision-making.

Fortum has had an obligation in the EU emissions trading system (ETS) to set a price for carbon emissions since 2005. The EU ETS price of carbon is among the key factors impacting the Nordic electricity price and is fully integrated into investment decisions. The EU ETS price is valid for direct $CO_2$ emissions and the proportion of Scope 1 GHG emissions from EU ETS is presented in GHG emissions table. The average price for EU ETS for 2025 was 75 EUR/tonne $CO_2$ (2024: 67).

Fortum has set an internal $CO_2$-eq shadow price parameter to ensure that the cost of GHG emissions is considered in growth and refurbishment investment decisions, and thereby will support Fortum in reaching net-zero emissions. The shadow carbon price is valid for Scopes 1 and 2, and for Scope 3 in fuel- and energy-related activities. The internal carbon price is set based on current estimates of high-quality certified emission reductions (CERs). In 2025, the shadow price was applied to emissions related to investment decisions disclosed in the table Actions during the year in 2.2.7 Actions and resources for climate change.

## Reporting principles

Energy consumption and GHG emissions include all heat and power plants and production facilities in all operating countries. The reporting scope is based on operational control. Data for power and heat generation (GWh), used to calculate intensity targets for Scope 1, include Fortum's share in associated companies and joint ventures that sell their production to the owners at cost. This is in line with how the production purchased from these companies is reflected in financial reporting. See also section 1.2.2 Reporting scope.

Total energy consumption covers fuels used in power and heat production, electricity and heat purchased for own use and renewable-based electricity generated for own use (hydro, wind, solar). Purchased electricity is divided into renewable, fossil and nuclear sources. 100% renewable or nuclear-based electricity is only reported for electricity bundled with GoOs; otherwise, the country-specific energy share for residual mix electricity is used.

In calculating the specific carbon dioxide emissions for power generation, combined heat and power plant (CHP) emissions have been allocated for power and heat using the efficiency method presented in the GHG Protocol guidelines, with a heat production efficiency of 90% and electricity production efficiency of 40%.

The reporting of GHG emissions covers direct GHG emissions (Scope 1) from own operations, indirect GHG emissions (Scope 2) from purchased energy and heat losses in district heating networks, and indirect GHG emissions from the upstream and downstream value chain (Scope 3). GHG emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. All GHG emissions are calculated as tonnes of $CO_2$ -equivalent, excluding biogenic $CO_2$, which is reported separately for Scopes 1, 2, and 3.

The calculation of GHG emissions covers carbon dioxide ($CO_2$), methane ($CH_4$), nitrous oxide ($N_2O$), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride ($SF_6$) and nitrogen trifluoride ($NF_3$). PFCs and $NF_3$ are marked as zero, since such emissions have not been identified in any part of the value chain. The global warming potential of all gases are based on IPCC publications (IPCC Sixth Assessment Report, 2023 (AR6), 100-year time horizon).

Scope 1 GHG emissions from power plants are based on continuous measurements, sample testing, or have been calculated based on fuel-specific emission factors. Various measurement or calculation systems are in use in power plants. Emissions from company owned leased and rented cars are calculated based on fuel consumption and travel distance. Scope 1 includes $CH_4$ and $N_2O$ emissions from biofuel combustion. Biogenic $CO_2$ emissions are reported separately.

Scope 2 GHG emissions are calculated using both the market-based and location-based method. The market-based method uses supplier-specific emissions factors. Emission factor zero kg $CO_2$/MWh has only been used for electricity bundled with GoOs for renewable or nuclear-based electricity. Otherwise, the residual mix emission factor has been used. In the location-based method, country-specific production mix emission factors for electricity are used. The residual mix factors and country-specific production mix factors have been obtained from the Association of Issuing Bodies (AIB) report on emission factors for the most recent year. Emissions from company-owned electric vehicles are included in Scope 2.

Scope 3 GHG emissions are calculated based on operational data obtained from internal reporting systems. In the absence of accurate data, estimates based on historical data have been used. The emission factors used are mainly from external databases, including EXIOBASE 3.4, Ecoinvent v3.11 and v3.12, and various literature sources. 82% of Scope 3 GHG emissions are measured using primary data from activities within Fortum's upstream and downstream value chain. Fortum is planning to improve the data accuracy and the share of primary data, especially related to Scope 3 categories 1 and 2, in the following years.

Primary material-, product- or activity-based data is used to calculate GHG emissions in categories 3 (Fuel- and energy-related activities), 5 (Waste generated in operations), 11 (Use of sold products) and 13 (Downstream leased assets). Upstream and downstream transportation and distribution (categories 4 and 9) have been calculated based on the volume of transported material and actual transportation distance. Category 6 (Business travel) is calculated based on distance travelled. Transport-related emissions (categories 3, 4, 6, 7 and 9) are reported on a well-to-wheel basis. Secondary spend-based data is used to calculate categories 1 (Purchased goods and services), 2 (Capital goods), and 8 (Upstream leased assets). The volumes and categories of purchased goods and services are based on Fortum's spend-analytics database. National average data is used to calculate category 7 (Employee commuting).

Fuel- and energy-related activities, especially electricity sold to end users and heat purchased for distribution, is the major source of GHG emissions. Electricity sales volumes are based on sales contracts, for which Fortum has a balance responsibility. The volumes for GoOs are based on internal databases. Some business-level estimates have been made, as the purchase of GoOs for the reporting year is possible until the end of March of the following year. Emissions are calculated for that part of the electricity sales from which the electricity bundled with GoOs has been subtracted. The emission factor source for sold electricity is the country-specific emission factor for the most recent year published by AIB.

Total volume of external heat distributed to customers is reported based on the heat volumes distributed and sold to end users, and supplier-specific emission factors.

Emissions from fuel value chains include emissions from fuel production (e.g. mining, refining and processing) and fuel transportation. Emission factors from suppliers and international and national sources have been applied for each part of the value chain. Transportation distances are based on primary data from internal databases.

GHG emissions from joint ventures and associated companies are included in either Scope 3, category 1 (Companies providing products or services) or Scope 3, category 3 (Companies producing electricity and heat) or Scope 3, category 15 (Investments). GHG emissions data for investments is obtained directly from the respective company and includes data from previous years if data from 2025 is not available. See also section 1.2.2 Reporting scope.

Fortum's GHG inventory includes all relevant Scope 3 categories. Categories 10 (Processing of sold products), 12 (End-of-life treatment of sold products) and 14 (Franchises) are not material, as Fortum does not have these kinds of activities.

# 2.3 Pollution

## 2.3.1 Introduction to pollution

Fortum's energy production activities generate emissions to air, water and soil. Fortum monitors and controls these emissions in accordance with environmental regulations and internal environmental management systems. Fortum aims to reduce environmental impacts by transitioning to electricity-based solutions, fuel switching, and implementing flue-gas treatment systems and other technological solutions.

## 2.3.2 Material impacts, risks and opportunities for pollution

Fortum has identified the following material negative pollution-related impacts in the double materiality assessment. For more information on the double materiality assessment process, see 1.4 Double materiality assessment.

| IRO reference | Description |
|---|---|
| **Actual negative impact** | |
| IRO E2.1 | **Air pollution due to nitrogen oxide ($NO_x$) and sulphur dioxide ($SO_2$) emissions produced in fuel combustion**. $NO_x$ and $SO_2$ are acidifying substances that interact with water, oxygen and other chemicals in the atmosphere to form acid rain, which harms sensitive ecosystems such as lakes and forests. $NO_x$ emissions may also cause eutrophication by negatively affecting nutrient balance. |
| **Potential negative impact** | |
| IRO E2.2 | Potential negative impact on the environment when **using substances of concern (SoC)/very high concern (SVHC) in operations**. When SoC/SVHC are used as process chemicals, small amounts may enter nature within the limits allowed by environmental permits. |

Combustion processes in energy production generate emissions to air. The EU has set very strict limits for flue-gas emissions; meeting the requirements necessitates the use of Best Available Techniques (BAT). The BAT Reference (BREF) document sets stricter emission standards that European power plants must meet, unless they obtain a formal derogation.

All Fortum's power plants operate in compliance with the terms of their environmental permits and the requirements in the environmental management standard, and all production sites are ISO 14001 certified.

Fortum continuously measures emissions; deviations to environmental permit limits are internally investigated and reported to authorities. Major non-compliances and major leaks or spills into the environment are classified and treated as major environmental incidents.

## 2.3.3 Policies on pollution

The key policy to address the management of material impacts related to pollution prevention and control is the Sustainability Policy. Fortum aims to prevent pollution, including but not limited to minimising the use of substances of concern. This will be accomplished by replacing substances with safer alternatives, adopting cleaner technologies, optimising processes, and reducing waste generation, where feasible. Fortum strives to minimise and reasonably control and manage emissions and impacts of pollutants to air, water and soil.

The Supplier Code of Conduct outlines the requirements for Fortum's suppliers and business partners, including the requirement to continuously minimise waste and emissions to air, water and soil.

Instructions and Minimum Requirements for EHS (environment, health and safety) Management includes the definition of major environmental incidents and guidelines for identifying these, as well as for limiting and continuously reducing the use of hazardous chemicals.

Environmental sustainability, including pollution, is also incorporated in the other related policies, instruction and manuals outlined in section 2.1.2 Policies on environmental matters.

## 2.3.4 Targets for pollution

Fortum's targets related to pollution and performance against the targets is presented in the table below:

| | Measure | Base year | Base-year value | Target year | 2025 | 2024 | Change compared to base year, % | Change compared to previous year, % |
|---|---|---|---|---|---|---|---|---|
| 20% reduction in nitrogen oxides ($NO_x$) emissions [1)] | kg | 2023 | 1,546,865 | 2030 | 1,302,249 | 1,378,084 | -16 | -6 |
| 40% reduction in sulphur dioxide ($SO_2$) emissions [1)] | kg | 2023 | 849,418 | 2030 | 242,409 | 616,604 | -71 | -61 |
| No major environmental incidents and no major non-compliance cases | Number of incidents | N/A | N/A | Annual | 0 | 1 | N/A | -100 |
| Reduction in use of most hazardous replaceable chemicals by 2030 | Proceeding as planned, Yes/No | N/A | N/A | Annual | Yes | Yes | N/A | N/A |

1) Values exclude the recycling and waste business divested in November 2024. Base-year values have not been assured.

To minimise negative impacts from air pollution, Fortum has set a target to reduce emissions of nitrogen oxide ($NO_x$) and sulphur dioxide ($SO_2$) by 2030. These substances are produced in the chemical reactions in the combustion process based on, e.g., the impurities of the fuel. The targets align with Fortum's science-based climate targets to reduce GHG emissions from electricity and heat production, as well as its climate transition plan, which include fuel-switching from coal to bio-based fuels or electrical solutions. Emissions are also prevented in accordance with local regulations and environmental permits at the sites. Targets include emissions from all power plants and operations as described in section 1.2.2 Reporting scope.

In 2025, nitrogen oxides emissions decreased by 6% and sulphur dioxide emissions by 61% compared to 2024. The substantial decrease in sulphur dioxide emissions clearly exceeds the -40% reduction target. The most significant improvement resulted from the closure of the Suomenoja coal-fired CHP plant in April 2024, which reduced emissions by approximately 101 tonnes of nitrogen oxides and 417 tonnes of sulphur dioxide.

In addition, Fortum aims to reduce its overall environmental impacts and, therefore, has set a separate target to track major environmental incidents and compliance with site-specific environmental permits. A major environmental incident is defined as an incident that resulted in significant harm to the environment (ground, water, air) or environmental non-compliances with legal or regulatory requirements. Major environmental incidents are monitored, reported and investigated, and corrective actions are implemented to prevent similar cases in the future. There were no major environmental incidents in 2025. In 2024, there was one major environmental incident, a major leakage of extinguishing water into the environment in connection with a large fire in an energy waste bunker at a recycling and waste site in Turku, Finland. The financial impact of related corrective actions was not material.

Fortum targets to 'Reduce Use of the Most Hazardous Replaceable Chemicals by 2030'. Fortum is committed to reducing the use of Substances of Concern (SoC), including Substances of Very High Concern (SVHC). These substances are used as process, laboratory and maintenance chemicals, or as a part of chemical products. Fortum will gradually assess the

possibilities to replace these chemicals with less hazardous substitutes. To achieve this, annual actions have been defined to systematically assess and replace hazardous chemicals where feasible. In 2025, substances of very high concern used in maintenance activities were assessed and replaced, where possible.

All pollution-related targets are voluntary, meaning that they are not required by other legislation applicable to Fortum.

## 2.3.5 Actions and resources for pollution

Fortum's climate target to reduce Scope 1 and 2 GHG emissions intensity for power and heat production will achieve a corresponding reduction in pollution to air from own operations. For more details on Fortum's GHG emission reduction targets, see 2.2.5 Targets for climate change and 2.2.7 Actions and resources for climate change.

In addition to the above, the following actions are ongoing and planned to address pollution-related targets:

### Actions during the year

| Action | Timing | Total cost/ investment | Cost/ investment in 2025 |
|---|---|---|---|
| **Identification and substitution of substances of concern and very high concern**<br>In 2025, SVHCs used in maintenance activities were assessed and replaced, where possible. | 2024–2030 | Not significant | Not significant |

### Planned future actions

| Actions |
|---|
| Internal **process for investigating environmental incidents will be reviewed and strengthened** with an aim of preventing future incidents. |
| **Identification and substitution of substances of concern and very high concern**<br>In 2026 the work will continue with the assessment and replacement of SVHCs used as laboratory and process chemicals, and in 2027–2030 SoCs will be assessed and replaced, where possible. |

## 2.3.6 Metrics for pollution

The material pollution-related sub-topics for Fortum are pollution of air and the use of SoC and SVHC. Pollution of water and soil, as well as production of microplastics are not material.

### Emissions to air

Emissions to air are presented in the table below. Emissions include those power plants and production facilities where annual emissions exceed the threshold presented in Annex II of Regulation (EC) No 166/2006 of the European Parliament and the Council. Facilities with emissions below the threshold are excluded. Emissions of greenhouse gases are reported as a part of 2.2.8 Metrics for climate change regardless of whether they exceed the threshold. Total emissions for sulphur dioxide and nitrogen oxides from power plants and operations are reported above in section 2.3.4 Targets for pollution.

| Substance, kg | 2025 | 2024 |
|---|---|---|
| Chromium to air | 130 | 102 |
| Zinc to air | 215 | N/A |
| Hydrogen chloride | 30,137 | 39,100 |
| Sulphur dioxide [1] | N/A | 417,000 |
| Nitrogen oxides | 1,164,684 | 1,726,489 |

1) 2025 value for sulphur dioxide does not exceed the reporting threshold.

The divestment of the recycling and waste business also had an impact on emissions to air by reducing nitrogen oxides emissions by 440 tonnes from 2024. Following the closure of the Suomenoja coal-fired CHP plant in April 2024, sulphur dioxide emissions at all Fortum sites were below the applicable thresholds in 2025.

### Substances of concern (SoC) and very high concern (SVHC)

Substances of concern used by Fortum mainly consist of a few high-volume process chemicals and fuels, which are detailed below. In addition, Fortum had a total of over 1,500 products in use (2024: approximately 2,400), which are used as process, laboratory and maintenance chemicals and contain SoC. The total amount of these components is shown in the 'Other' category. Fortum also recycles battery materials, and the feedstock materials consists of SoC. The total amount of these materials is described separately at the end of the table below. The number of trade names in the chemical register has decreased from 2024 due to the divestment of the recycling and waste business in November 2024 and chemical inventories conducted within operations. In terms of chemical volume, fuel usage has decreased the most. Fuel consumption is influenced by the divestment of the recycling and waste business and by power plant operations, especially during the winter heating season.

| Material Substances of Concern, annual consumption, t | 2025 | 2024 |
|---|---|---|
| **Used in production** | | |
| Ammonia (CAS 7664-41-7) [3] | 151 | 125 |
| Ammonium persulphate (CAS 7727-54-0) [2] | 73 | 150 |
| Ferrous sulphate, heptahydrate (CAS 7782-63-0) [2] | 0 | 303 |
| Fuel oils and diesel fuels [1,2,3] | 10,463 | 19,272 |
| Portland Cement (65997-15-1) [2] | 27 | 27 |
| Crystalline silica (14808-60-7) [1] | 44 | N/A |
| Other [4] | 16 | 67 |
| **Total used in production** | **10,774** | **19,944** |
| **Used as a feedstock in battery material recycling** | | |
| Black mass and NCM precursor [1,2,3] | 149 | 179 |
| **Produced when recycling battery material** | | |
| Metal sulphates in solution [1,2,3,5] | 267 | 400 |

1) Carcinogenicity categories 1 and 2: H350, H350i, H351; Germ cell mutagenicity categories 1 and 2: H340, H341; Reproductive toxicity categories 1 and 2: H360, H360F, H360D, H360FD, H360Fd, H361, H361F, H361d, H361fd.
2) Respiratory sensitisation category 1: H334; Skin sensitisation category 1: H317; Specific target organ toxicity - repeated exposure categories 1 and 2: H372, H373; Specific target organ toxicity – single exposure categories 1 and 2: 370, H371; Endocrine disruptors.
3) Chronic hazard to the aquatic environment categories 1 to 4: H410, H411, H412, H413; Hazardous to the ozone layer: H420.
4) Lubricants, gasoline, solvents, other maintenance chemicals, water treatment chemicals, antifoam agents, fire- extinguishing agents, antifreeze agents, coolants, laboratory chemicals, including over 1,500 different trade names of chemicals containing SoC as components. Hazard categories are not specified.
5) In 2025 the calculation methodology was revised to provide a detailed breakdown of SVHC and SoC substances within product compositions. These substances are now presented in dedicated tables for enhanced clarity. 2024 figures have been reclassified accordingly.

SVHC used by Fortum includes two low-volume process chemicals, boric acid and hydrazine. Boric acid is used in nuclear power production in pressurised water reactors as a soluble neutron absorber to control reactor reactivity. Hydrazine is used as a corrosion inhibitor to remove oxygen in water, in boilers and district heating waters. In addition, Fortum had 126 products in use, which are used as laboratory and maintenance chemicals and contain SVHC. The total amount of these components is shown in the 'Other' category. Fortum recycles battery materials, and the end product consists of both SVHC and SoC as components.

| Material Substances of Very High Concern, annual consumption, t | 2025 | 2024 |
|---|---|---|
| **Used in production** | | |
| Boric acid (CAS 10043-35-3, 1303-96-4) [1] | 4 | 7 |
| Hydrazine (CAS 7803-57-8/10217-52-4) [1,2,3] | 2 | 2 |
| Other [4] | 1 | 1 |
| **Total used in production** | **7** | **10** |
| **Produced when recycling battery material** | | |
| Metal sulphates in solution [1,2,3,5] | 32 | 55 |

1) Carcinogenicity categories 1 and 2: H350, H350i, H351; Germ cell mutagenicity categories 1 and 2: H340, H341; Reproductive toxicity categories 1 and 2: H360, H360F, H360D, H360FD, H360Fd, H361, H361F, H361d, H361fd.
2) Respiratory sensitisation category 1: H334; Skin sensitisation category 1: H317; Specific target organ toxicity - repeated exposure categories 1 and 2: H372, H373; Specific target organ toxicity – single exposure categories 1 and 2: 370, H371; Endocrine disruptors.
3) Chronic hazard to the aquatic environment categories 1 to 4: H410, H411, H412, H413; Hazardous to the ozone layer: H420.
4) Maintenance chemicals, heat transfer fluids, oils and laboratory chemicals, including 116 different trade names of chemicals containing SVHC substances as components. Hazard categories are not specified.
5) In 2025 the calculation methodology was revised to provide a detailed breakdown of SVHC and SoC substances within product compositions. These are now presented in dedicated tables for enhanced clarity. 2024 figures have been reclassified accordingly.

## Reporting principles

Emissions to air include all heat and power plants and production facilities in all operating countries. Emissions to air are reported for those facilities where annual emissions exceed the threshold presented in Annex II of Regulation (EC) No 166/2006 of the European Parliament and the Council. Nitrogen oxides and sulphur dioxide emission reduction targets include all facilities regardless of whether they exceed the threshold or not. Emissions exceeding the threshold from Fortum's recycling and waste business are included in the disclosed annual emissions in 2024 but excluded from the target figures.

Fortum measures and monitors emissions for each site in accordance with environmental permit requirements and local regulations. Site-specific data is collected to an internal database, compared to the threshold and consolidated at Group level.

Reported emissions to air are mainly based on continuous on-site measurements and calculations based on, e.g., measured concentrations and flue-gas volume. In addition, periodic sampling can also be used for emissions measurement.

## 2.4 Biodiversity and ecosystems

### 2.4.1 Introduction to biodiversity

Biodiversity is the variety of all living things. It supports all systems of life on earth and is a vital factor for the wellbeing and economic prosperity of people and businesses. The degradation of biodiversity is one of the greatest environmental problems globally. All operations, including Fortum's, have an impact on biodiversity. Fortum acknowledges the need to identify and take responsibility for its impacts and dependencies related to biodiversity and ecosystem services.

### 2.4.2 Material impacts, risks and opportunities for biodiversity

Fortum has identified four material biodiversity-related negative impacts in the double materiality assessment. For more information on the double materiality assessment process, see 1.4 Double materiality assessment.

| IRO reference | Description |
|---|---|
| **Actual negative impacts** | |
| IRO E4.1 | **Impact on aquatic biodiversity from hydropower production.** Hydropower production alters the fluctuation range and rhythm of the water discharge and level in waterways. The damming of rivers has a barrier effect and causes a discontinuation in the natural flow of rivers. This causes negative impacts, e.g., on the migration and drifting of fish and of other fauna and ecological substances; some of the impacted species are threatened. This also has a negative impact on natural habitats, e.g., breeding grounds for migratory fishes, ecosystems as a whole, erosion, and flora and fauna. Impacts may occur in the rivers and also in the riparian zone. |
| IRO E4.2 | **Biodiversity impact from climate change pressure through GHG emissions** from own operations and supply chains. GHG emissions from energy production by combustion causes biodiversity impact through climate change pressure. In the value chain, the most significant impact originates from the trading of electricity unbundled with Guarantees of Origin. Negative impacts through global warming. The mechanism is global, but the impact is local. |
| IRO E4.3 | **Biodiversity loss through land use** resulting from fuel procurement. Fuel procurement for heating and cooling operations contributes to biodiversity loss through land use changes and climate change. The impact relates to Fortum's heating and cooling operations both in Finland and Poland. The production of fuel, both bio- and fossil-based, used in power and heat production affects biodiversity through land use, resulting in changes in and loss and degradation of the natural environment, as well as the loss of natural resources. These local-scale impacts are most evident and recognisable. Also, emissions from the production of used fuels, as well as from energy production, accelerate climate change; and while the impact mechanism is global, the impact on biodiversity is local. |
| IRO E4.4 | **Land use impact from construction.** The impact is potential and real with all operations requiring change in land use, such as new wind and solar power production. This includes changes in and loss of the natural environment at construction sites. In addition, the impact increases from fragmentation and encroachment. The operational stage of wind power production can also have impacts on avifauna (mainly birds and bats) through collision risk and changes in migration routes. |

Fortum has not identified direct negative impacts from its operations on land degradation, desertification or soil sealing. Some impacts may occur through climate change pressure, but these cannot be specified and hence have not been assessed as material.

Impacts are managed as described below. Impact mitigation is carried out in accordance with the steps outlined in the ecological mitigation hierarchy. Mitigation of negative impacts is carried out through both voluntary and obligatory actions, e.g., fish passage and transportation solutions and fish stockings in connection with hydropower production. To mitigate the negative impact from changes in land use, Fortum favours areas of low biodiversity values for new operations that require change in land use. An assessment of biodiversity impacts is included as a part of the investment assessment.

### 2.4.3 Policies on biodiversity

The key policies to address the management of material impacts related to biodiversity and ecosystems are the Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy. These policies address the assessment and reduction of negative impacts on the natural environment according to the ecological mitigation hierarchy.

In accordance with the Sustainability Policy, Fortum conserves biodiversity by avoiding activities that harm ecosystems and species. In addition, Fortum aims to restore or mitigate the impacts caused by operations whenever possible, and to offset impacts, if needed. Fortum also strives for active collaboration on the impacts in partnership with local communities and around its plants, as outlined in section 3.4.6 Engaging with affected communities on impacts.

The Supplier Code of Conduct outlines the requirements for suppliers and business partners, including the requirement to continuously minimise waste and emissions to air, water and soil in their operations, and to mitigate impacts on biodiversity. Suppliers are also responsible for ensuring and monitoring their sub-suppliers' compliance with the principles of the Supplier Code of Conduct.

The key policies are accompanied by instructions and guidelines that address the management of material impacts related to biodiversity and ecosystems. The Biodiversity Manual defines principles related to biodiversity. As described in the manual, biodiversity issues are systematically considered as a part of environmental management processes and operations. The manual contains specific instructions for biodiversity issues in current operations, new projects and the supply chain, as well as for reporting and communication. Fortum also has Forest Management Guidelines that define a framework for the sustainable use of Fortum-owned forests. The purpose of the guidelines is to provide direction for forest management to enable Fortum to increase the overall value of forest biodiversity and to shoulder responsibility in halting global biodiversity loss. Biodiversity-related policies are adopted across all operations. Environmental sustainability, including biodiversity, is also incorporated in the other related policies, instructions and manuals outlined in section 2.1.2 Policies on environmental matters.

Fortum has not adopted a specific protection policy on operating in or near protected areas or in areas of high biodiversity value outside protected areas. However, Fortum does take identified negative impacts into account in operations, as defined in the Biodiversity Manual. Though Forest Management Guidelines are in place, Fortum does not have a specific policy on sustainable land use, agriculture practices, ocean and sea practices, or policies to address deforestation. The biodiversity policies do not specifically address the direct impact drivers on biodiversity loss, production, sourcing or consumption from ecosystems that are managed to maintain or enhance conditions for biodiversity.

### 2.4.4 Targets for biodiversity

Fortum has set targets to address its material impacts on biodiversity. In November 2025, Fortum updated its biodiversity targets. The revised targets now cover the impacts of hydropower on aquatic ecosystems, land use change in Fortum's own

operations and the impact of biomass sourcing on land use, The impacts of climate change pressure are addressed through Fortum's SBTi targets, see 2.2.5 Targets for climate change.

### Updated targets from November 2025

Fortum's targets related to biodiversity and performance against the targets is presented in the table below (GBS®- Tool 1.4.2. HH 1/2026):

| | Measure | Base year | Target value | Target year | 2025 | 2024 | Change compared to base year, % |
|---|---|---|---|---|---|---|---|
| Increase the ecological value in river stretches where actions have the most ecological benefit by 2040 | Proceeding as planned, Yes/No | N/A | N/A | 2040 | Yes | N/A | N/A |
| Achieve a net positive impact on land use for our own operations 2030 onwards [1)] | MSA.km$^2$ | N/A | 0 | 2030 | N/A | N/A | N/A |
| No increase in land use negative impact from procured biomass in existing operations from 2024 levels | MSA.km$^2$ | 2024 | ≤ 0.26 | Annual | 0.32 | 0.26 | 23 |

1) The target is valid from 2030 onwards. The reporting of the MSA.km$^2$ measure will commence at a later stage.

In 2025, Fortum continued to implement both voluntary and licence-related biodiversity measures in its hydropower operations to mitigate negative impacts and, where possible, to introduce improvement measures. Actions toward river biodiversity are described in section 2.4.6 Actions and resources for biodiversity.

Fortum's main terrestrial biodiversity impacts are related to the impacts from GHG emissions, land use and fuel procurement. Fortum identifies terrestrial impacts with a Biodiversity Footprint Assessment (BFA, by Global Biodiversity Score® Tool). Impact from GHG emissions is presented in section 2.4.7 Metrics for biodiversity. The land use impact from own operations will be disclosed at a later stage. The land use impact from the procurement of biomass increased by 0.06 MSA.km$^2$ from 2024 (base year). The impact originates from the procurement of non-residual forest biomass to the Kivenlahti power plant in Espoo, Finland. Actions towards this new target are currently being planned.

Fortum considered goals of the Kunming-Montreal Global Biodiversity Framework and the EU Biodiversity Strategy for 2030 as well as ecological planetary boundaries when setting the new targets. Fortum's actions and targets support progress toward these global goals, even though they are not formally aligned with them. Specific thresholds towards local biodiversity values were not assessed as a part of ecological planetary boundaries.

It is expected that biodiversity offsets will be needed to meet the target 'Achieve a net positive impact on land use for own operations 2030 onwards'. Financial impacts of the offsets will be assessed separately for each investment. Offsets were not used in 2025. Fortum is committed to following the steps of the ecological mitigation hierarchy when defining mitigation actions or offsets. All mitigation and potential compensation measures, mandatory or voluntary, will be evaluated using science-based methods.

### Targets until November 2025

Performance against targets during the year is described below. Actions contribute also to the updated targets from November 2025.

**No net loss of biodiversity from existing and new operations in Scopes 1 and 2 from 2030 onwards, excluding all aquatic impacts**

In ongoing operations, the main lever for the target is to reduce Scope 1 GHG emissions in line with the climate transition plan, see 2.2.6 Transition plan for climate change mitigation. In 2025, Scope 1 GHG emissions decreased due to actions taken to reduce coal use. See section 2.2.5 Targets for climate change.

In addition, Fortum has been developing a process to analyse the biodiversity footprint and to assess biodiversity impact mitigation possibilities for adverse impacts of new growth in order to reach the target. Identified impacts will be mitigated by following the ecological mitigation hierarchy when deciding actions.

To support the transition, Fortum is also improving the biodiversity value of existing assets by, e.g., continuing to manage Fortum-owned forests according to corporate-level sustainable forest management guidelines.

**50% reduction in dynamic terrestrial impacts in upstream Scope 3 by 2030 compared to base-year 2021**

The main lever for the target is to reduce Scope 3 GHG emissions in line with the climate transition plan. This includes increasing the share of electricity bundled with Guarantee of Origin certificates and increasing the share of biogas to reduce emissions from use of sold gas. In 2025, Scope 3 GHG emissions decreased from 2024 mainly due to lower emissions associated with sold electricity.

In addition, Fortum is developing a process to assess and address the biodiversity impact of procurement.

**Commitment to continue local initiatives and participate in the development of a science-based methodology to assess the aquatic impacts of hydropower**

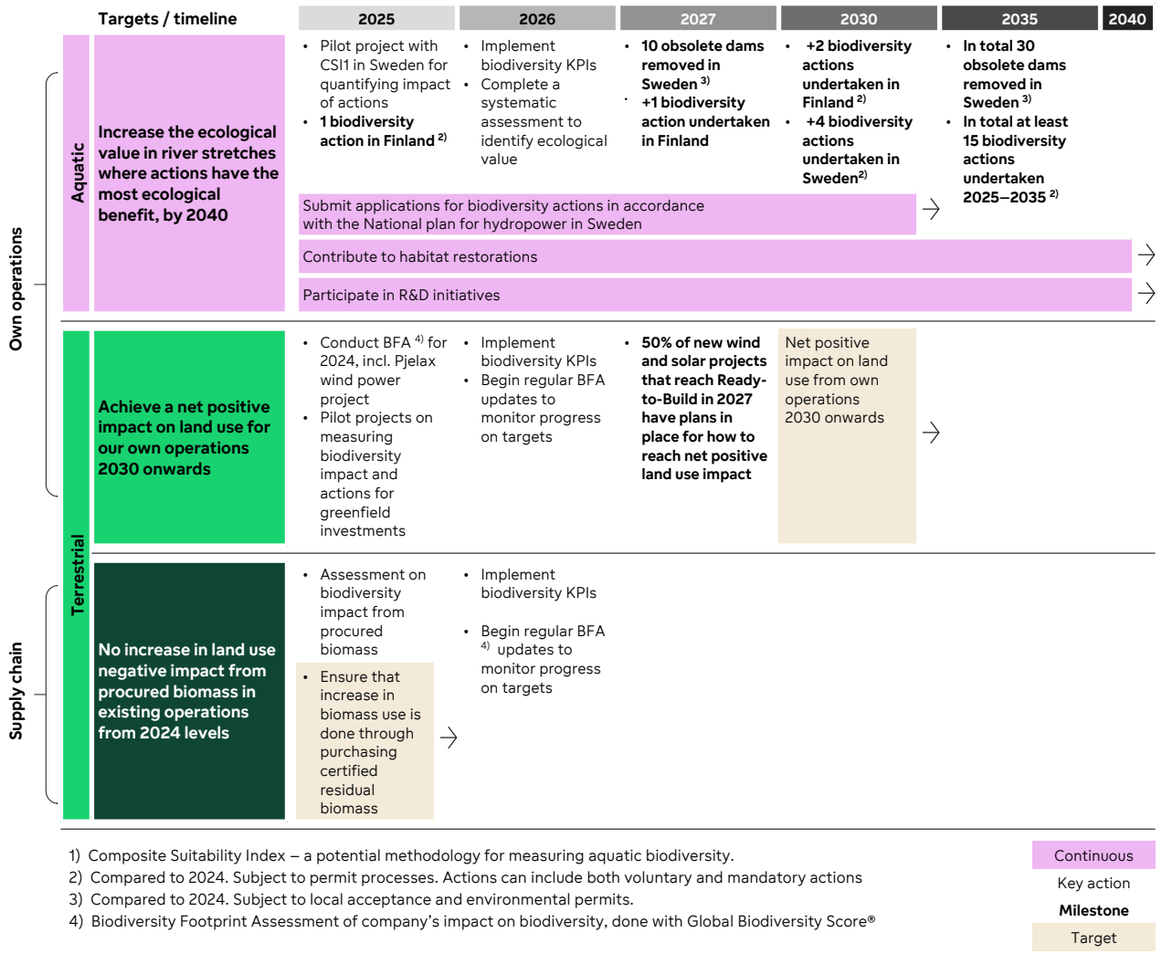
In 2025, Fortum continued to implement local initiatives, especially in hydropower. In addition, together with partners, Fortum has worked on developing a science-based methodology to assess the aquatic impacts of hydropower, e.g., through case studies. More information about actions is presented in 2.4.6 Actions and resources for biodiversity.

## 2.4.5 Transition plan for biodiversity

In November 2025, Fortum published its first biodiversity transition plan, which outlines interim targets and concrete actions for the coming years for each biodiversity target. Reaching the milestones in the transition plan is dependent on permit processes. The actions can include both voluntary and mandatory actions. The transition plan will be updated over time.

The transition plan does not include actions to mitigate impact from climate change pressure, as the actions to reduce impact are presented in the transition plan for climate change mitigation. See 2.2.6 Transition plan for climate change mitigation.

The following chart depicts Fortum's illustrative transition plan to 2040:




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

## 2.4.6 Actions and resources for biodiversity

Actions are ongoing and planned to mitigate negative biodiversity impacts and to address biodiversity-related targets. However, actions are not validated with science-based methods, hence they cannot be considered as offsets in accordance with the steps of the ecological mitigation hierarchy. Fortum actively engages local communities, including indigenous people, where relevant, although Fortum has not specifically sought local and indigenous knowledge when determining biodiversity actions.

Summary of ongoing actions to address biodiversity-related targets (valid until November 2025) are presented in the following table:

### Actions during the year

| Action | Timing | Total cost/ investment | Cost/ investment in 2025 |
|---|---|---|---|
| **Development work to measure hydropower's aquatic biodiversity impacts** continued by assessing potential tools and approaches. Further, Fortum conducted a pilot study in Oreälven, Sweden to pilot a Water Nature Index for quantifying the impact of hydropower production with the CSI (Composite Suitability Index) approach, and the significance of bypass solutions at the Hansjo and Unnån Hydropower plants. In addition, Fortum continued work to better understand the biodiversity impact from hydropower and how to address the mitigation measures with the steps of the ecological mitigation hierarchy. These actions also support the renewed target 'Increase the ecological value in river stretches where actions have the most ecological benefit, by 2040'. | Ongoing | Not significant | Not significant |
| **Case studies to assess biodiversity impacts of projects.** In 2025, case studies were completed in a development stage wind power project in Sweden and a solar power project in Tarvasjoki, Finland. Fortum also continued working with the pilot of the heat storage facility in Nuijala, Finland. The studies aim to create a process to analyse the biodiversity footprint and assess biodiversity impact mitigation possibilities (for adverse impacts) in order to reach the corporate level No Net Loss target from 2030 onwards. In these case studies, Fortum also modelled the implementation and validation of possible concrete biodiversity measures and their effectiveness. | Ongoing | Not significant | Not significant |
| Fortum continued to carry out **voluntary and licence-related biodiversity measures** to prevent negative impacts and, where possible, to implement biodiversity improvement measures, including:<br>• Removing six (Hyttdammen, Kvarndammen, Sången, Busken, Svartådammen and Kvarnsjön) dams with limited energy benefits to the energy system in Sweden.<br>• Habitat improvements around hydropower plants in rivers Dalälven, Klarälven and Ljusnan, Sweden.<br>• Pre-study for a fish passage at the Hennan, Sweden, regulating dam.<br>• Release of young salmon and sea trout in the tributaries of river Oulujoki, Finland.<br>• Continued the planning of the Seitenoikea fish passage in river Emäjoki, Finland.<br>• Continued operation of the Fishheart solution for upstream passage of fish at the Leppikoski hydropower plant and at river Oulujoki, Finland.<br>• Continued operation of the Montta fish trap to trap and transport mature salmon to the improved spawning areas in the tributaries upstream of several dams in river Oulujoki, Finland.<br>• Started the planning of the Tainionkoski city creek, new spawning area for local trout population and completed the creek Voimanpuro restoration project to create more habitats for local trout population at river Vuoksi, Finland. | 2025 | Not significant | Not significant |

### Planned future actions

Fortum will continue to work on actions needed to achieve the biodiversity targets. See section 2.4.5 Transition plan for biodiversity for more information. In addition, Fortum will continue the work on voluntary and licence-obligated biodiversity projects.

## 2.4.7 Metrics for biodiversity

### Biodiversity impact from climate change pressure

Based on the biodiversity footprint assessment (BFA), Fortum's main terrestrial biodiversity impacts are related to the impacts from GHG emissions, land use in own operations and through fuel procurement.

GHG emission reduction is a key lever to reduce negative impacts on biodiversity occurring from climate change pressure. While climate change is a major driver of biodiversity loss globally, Fortum has made a strategic decision to exclude climate pressures from its biodiversity targets as it is already comprehensively addressed through Fortum's SBTi-validated climate targets. See also 2.2.5 Targets for climate change.

Biodiversity impacts from climate change pressure (Scopes 1, 2 and upstream Scope 3) are presented in the following table (GBS®- Tool 1.4.2. HH 1/2026):

| MSA.km² | 2025 | 2024 |
|---|---|---|
| Scope 1 | 3.6 | 4.3 |
| Scope 2 | 0.6 | 0.3 |
| Upstream Scope 3 | 43.1 | 44.8 |

In 2025, biodiversity impact from climate change pressure decreased in Scopes 1 and 3 from 2024 due to the reduction in the relevant emissions. Biodiversity impact in Scope 2 increased as Scope 2 market-based GHG emissions increased when heat network losses were reclassified from Scope 3 to Scope 2. For details, see 2.2.5 Targets for climate change.

### Biodiversity-sensitive areas

Fortum has hydropower operations in or near biodiversity-sensitive areas that are potentially negatively impacted. The potential negative impact is identified at a total of 29 (2024: 27) hydropower plants. The impact on biodiversity-sensitive areas is connected to the general environmental impact from hydropower production. See 2.4.2 Material impacts, risks and opportunities for biodiversity.

The biodiversity-sensitive areas identified to have a negative impact are areas that are included in the Natura 2000 network. Fortum has implemented or is planning to implement actions to mitigate the possible negative impact on the affected Natura 2000 areas. Mitigation actions are aligned with the actions determined in the conservation plan of the area of concern. In Sweden, the mitigation actions will be addressed in connection with the implementation of the National Plan for Modern Environmental Conditions for Hydropower.

The ecological potential or status of water bodies in hydropower plants operating in biodiversity-sensitive areas in Sweden is poor to moderate, based on the Water Framework Directive. However, Fortum's operations do not have an impact on the ecological state or the conservation values of the sites from the current situation. All identified impacts are included in the EU Taxonomy analysis of aligned economic activities and all Fortum's own hydropower plants fulfil the 'do no significant harm' (DNSH) criteria.

Sites in or near biodiversity-sensitive areas or key biodiversity areas on 31 December 2025 are presented in the following table:

| River | Hydropower plant | Biodiversity-sensitive areas in or near operations (Natura 2000) |
|---|---|---|
| **Sweden** | | |
| Klarälven | Höljes<br>Dejefors<br>Edsforsen<br>Forshaga<br>Forshult<br>Krakerud<br>Letten<br>Munkfors<br>Skymnäs<br>Skoga | SE0610169 Klarälven, övre delen<br>SE0610190 Klarälvsdeltat<br>SE0610221 Noret |
| Gullspångsälven | Gullspång | SE0540213 Gullspångsälven |
| Ljusnan | Sveg<br>Laforsen<br>Öjeforsen<br>Edeforsen<br>Halvfari<br>Långå | SE0720291 Ljusnan (Hede-Svegsjön)<br>SE0630101 Mellanljusnan Laforsen-Korskrogen<br>SE0630223 Mellanljusnan Korskrogen-Edeforsen |
| Svartälven | Karåsen<br>Skråmforsen<br>Brattforsen | SE0240127 Torkesviken<br>SE0540213 Gullspångsälven |
| Letälven | Degerfors<br>Åtorp | SE0540213 Gullspångsälven |
| Timsälven | Björkborn<br>Bofors | SE0540213 Gullspångsälven |
| Dalälven | Lanforsen<br>Untra<br>Storgysinge | SE0630154 Spjutholmen<br>SE0210008 Båtfors |
| Glasälven | Glava | SE0610133 Rödvattnet-Majendal |
| **Finland** | | |
| Oulujoki | Jylhämä | FI1200104 Oulujärven saaret ja ranta-alueet<br>FI1200105 Oulujärven lintusaaret<br>FI1200801 Painuanlahti |

The changes in reported biodiversity sensitive areas are due to a review and update of the assessment. The following changes were made: hydropower plants Untra and Storgysinge have been included in river Dalälven; hydropower plant Letten has been reclassified from river Letälven to river Dalälven (resulting in the removal of Natura 2000 areas Klarälven, övre delen (SE0610169) and Klarälvsdeltat (SE0610190) from potentially impacted areas of river Letälven); and Natura 2000 area Sveafallen (SE0240181) was removed from river Letälven as a potentially impacted area.

**Reporting principles**

The biodiversity Impact MSA.km$^2$ is estimated with the Global Biodiversity Score®(GBS®)-Tool (version 1.4.2). The GBS® -Tool, developed by CDC Biodiversité, is a methodology for measuring the biodiversity footprint across both own operations and the value chain. The metric stands for 'Mean Species Abundance' (MSA) per square kilometre, where MSA is a measure of the average abundance of native species in a given area compared to their abundance in an undisturbed ecosystem. It ranges from one, for pristine undisturbed nature, to zero, complete loss of native biodiversity. When expressed as an impact of MSA.km$^2$, it presents the extent of biodiversity impact over a specific land area from one, 'full natural state', to zero,' no biodiversity left' in the square kilometre.

The GBS®-Tool uses inputs that reflect both direct and indirect pressures on biodiversity. These include operational data across Scopes 1, 2, and 3, such as land use change data, production volumes, procurement details, and geographic locations of activities. Where more detailed data is unavailable, financial data is used to estimate impacts. The data is translated to biodiversity impacts of MSA.km$^2$ divided between pressures, (such as land use change and climate change), operations and scopes.

When determining the impact on biodiversity-sensitive areas, Fortum has assumed that the impact from an individual hydropower plant can affect the entire river system. Hence, the potential negative impact may be allocated to several hydropower plants in the same river system, even if there is one or more other hydropower plants or other dams between the impacted area and the hydropower plant.

An area is assessed as having an impact from hydropower production if changes in hydrological conditions or direct impacts from hydropower production are presented as a threat to the conservation values of the area in concern. The approach is precautionary, and the actual impact may not occur for all presented sites.

The analysis of biodiversity-sensitive areas in Finland and in Sweden was performed using a customised tool in ArcGIS Pro (Geographical Information System). The tool is based on a buffer and an intersection analysis that makes it possible to determine biodiversity-sensitive areas that are located in the site or within a specified distance from the site. Biodiversity-sensitive area data (e.g., Natura 2000 SPA, Conservation areas) were set as separate rules.

Analysis and assessments concerning operations in Poland were made separately for each site. Environmental assessments made in connection with operations were utilised, in addition to the Polish database about biodiversity-sensitive areas.

In addition, assessments made in conjunction with the EU Taxonomy reporting were utilised. The identified sites and the possible negative impact on the biodiversity-sensitive areas are reviewed individually.

## 2.5 Resource use and circular economy

### 2.5.1 Introduction to resource use and circular economy

Fortum generates radioactive waste at the Loviisa nuclear power plant in Finland, as well as in co-owned nuclear power plants Olkiluoto in Finland, and Forsmark and Oskarshamn in Sweden. Safety is a prerequisite for all Fortum's nuclear operations and it's critical to protect people and the environment in the management of radioactive waste. Fortum adheres to stringent regulations to ensure safe and reliable waste management including a long-term solution for the final disposal of highly radioactive spent nuclear fuel.

Other waste streams, such as conventional non-hazardous waste and hazardous waste, excluding nuclear waste, are not considered material for Fortum and therefore not disclosed. Furthermore, fuels are not treated as materials and are reported under energy consumption in 2.2.8 Metrics for climate change.

### 2.5.2 Material impacts, risks and opportunities for resource use and circular economy

In the double materiality assessment, Fortum identified one material negative impact related to resource use and circular economy, as described below. For more information on the double materiality assessment process, see 1.4 Double materiality assessment.

| IRO reference | Description |
|---|---|
| **Potential negative impact** | |
| IRO E5.1 | **Radioactive waste generated in nuclear power plant operations**. Radioactive waste is classified as either low-level, intermediate-level or high-level waste, based on how it was created, its original purpose and radioactivity level. Radioactive substances potentially ending up in the environment through the processing, storage, transportation and/or disposal of radioactive waste may cause environmental impacts. The same potential negative impact is also relevant for co-owned nuclear power plants. |

In addition to radioactive waste, Fortum also generates conventional non-hazardous and hazardous waste in its power plants and other own operations. Based on the double materiality assessment, the generation of waste, excluding radioactive waste, is not material for Fortum's operations and therefore not disclosed. The divestment of the recycling and waste business in 2024 significantly altered the composition and volume of conventional waste. In 2024, this business accounted for nearly 100% of Fortum's non-radioactive hazardous waste and approximately 30% of its non-hazardous waste.

**Radioactive waste management**

Waste management at the Loviisa nuclear power plant is comprised of two separate areas: waste management for the non-controlled area and waste management for the controlled area. Waste generated in the non-controlled area can be treated as conventional industrial waste. All waste generated in the controlled area is treated as radioactive.

Waste generated in the controlled area is divided into three categories: low-level waste (maintenance waste), intermediate-level waste (mainly liquid waste and small amounts of dry waste, such as filters and probes), and high-level waste (spent fuel). Maintenance waste is either cleared as non-radioactive and treated as conventional waste or disposed of in the final repository located at a depth of 110 metres in the power plant area.

Liquid waste is purified and released into the sea or stored and solidified in concrete and then disposed of in the final repository.

Highly radioactive spent nuclear fuel is stored to await final disposal. Fortum and Teollisuuden Voima Oyj have established Posiva Oy to handle the technical implementation of the final disposal of spent nuclear fuel. Final disposal in the world's first-ever deep geological repository for spent fuel is scheduled to begin at Olkiluoto in Eurajoki, Finland, in the mid-2020s. The final disposal of spent nuclear fuel from Loviisa will begin in the 2030s and from Olkiluoto in the 2020s.

The processing of nuclear waste in Finland is governed by the Nuclear Energy Act, the Nuclear Energy Decree, and the Government Decree on the Safety of Disposal of Nuclear Waste. With regard to the management of radioactive substances, Fortum strives to keep any emissions well below the emission limits set by the authorities.

In Sweden, Svensk Kärnbränslehantering AB (SKB) is responsible for the disposal of radioactive waste from co-owned nuclear power generation. A spent fuel disposal facility is under construction in Forsmark, Östhammar municipality, and is expected to be completed by the end of this decade. After construction and a trial operation period it should be possible to start disposal operations in the late 2030s.

See Note 29 Nuclear-related assets and liabilities for the financial impact of radioactive waste management.

## 2.5.3 Policies on resource use and circular economy

The key policy to address radioactive waste management is the Nuclear Generation Safety and Quality Policy. The policy outlines the goals and operating principles that Fortum commits to in all nuclear power-related activities, including waste management. The principles are for example to produce electricity safely, reliably and competitively, in the short term and long term, while complying with the principles of nuclear and radiation safety, waste management control and nuclear security.  Additionally, nuclear power operations are governed by safety and quality requirements imposed by legislation and authorities.

Environmental sustainability, including circular economy, is also incorporated in the other related policies, instructions and manuals outlined in section 2.1.2 Policies on environmental matters.

## 2.5.4 Targets for resource use and circular economy

Currently, Fortum has not set specific targets relating to resource use and circular economy. Fortum has identified the radioactive waste generated by the operation of nuclear power plants as a material topic. Radioactive waste management is highly regulated by the authorities, and the volume of the waste is dependent on the amount of nuclear power generated. Radioactive waste is isolated from the environment in a reliable manner to prevent pollution to air, water and soil, and negative impacts on living organisms.

## 2.5.5 Actions and resources for resource use and circular economy

### Actions during the year

| Action | Total provision | Change in provision in 2025 |
|---|---|---|
| **Radioactive waste management:** Posiva (an associate) **started testing the final disposal facility** without actual spent fuel. The equipment and systems of the disposal facility were tested together for the first time in accordance with planned processes during the trial run stage. The purpose of the trial run is to verify safe final disposal before the start of the actual final disposal operation, estimated to commence in the 2020s. | EUR 1,153 million | EUR 36 million |

Nuclear provisions consist of estimated future decommissioning costs of the Loviisa, Finland nuclear power plant and estimated future disposal costs for spent nuclear fuel. The provisions are based on long-term cash flow forecasts. Changes in the provision include, e.g., updates in technical plans and cost estimates, the impact of discounting of the provision, nuclear waste related investments, as well as decommissioning measures and costs that had already been included in the provision. In order to cover these waste management costs, Fortum makes contributions to the Finnish State Nuclear Waste Management Fund. See Note 29 Nuclear-related assets and liabilities for more information.

### Planned future actions

Final disposal of spent nuclear fuel from the Loviisa nuclear power plant is estimated to begin at Olkiluoto in Eurajoki, Finland, in the 2030s. Nuclear power companies cover the cost of nuclear waste management, and the requisite funds are set aside in the State Nuclear Waste Management Fund. See Note 29 Nuclear-related assets and liabilities.

## 2.5.6 Metrics for resource use and circular economy

Fortum monitors the volume of radioactive waste based on the classification of low-, intermediate- or high-level radioactive waste. The total amount of radioactive waste excludes co-owned nuclear power plants.

### Waste generated

Radioactive waste generated is presented in the table below:

| t | 2025 | 2024 |
|---|---|---|
| Total amount of radioactive waste generated [1)] | 636 | 626 |

1) Includes high-, intermediate- and low-level radioactive waste.

In 2025, the total amount of waste generated was approximately 123,201 tons (2024: 3,956,517).

**Reporting principles**

Reporting of radioactive waste is based on Fortum's databases. Low- and intermediate-level radioactive waste is measured in cubic meters and converted to tonnes. High-level radioactive waste equals the weight of nuclear fuel used at the nuclear power plant and is reported for the period between annual maintenance breaks when the reactors are refuelled, usually between July and October. Radioactive waste volumes exclude co-owned nuclear power plants.

# 2.6 EU Taxonomy

## 2.6.1 Introduction to EU Taxonomy

The EU Taxonomy Regulation is a classification system for defining economic activities that can be considered as environmentally sustainable. The Regulation provides specific key performance indicators (KPIs) that entities are required to report for their environmentally sustainable economic activities. The EU Taxonomy Regulation establishes six environmental objectives, two of which, the climate change mitigation (CCM) and climate change adaptation (CCA) criteria, were published on 4 June 2021 in the Climate Delegated Act. Inclusion of the Complementary Climate Delegated Act on nuclear and natural gas energy activities was approved on 5 July 2022, and the Environmental Delegated Act for the remaining four objectives in June 2023. These objectives include Water and Marine Resources (WTR), Circular Economy (CE), Pollution Prevention and Control (PPC), and Biodiversity and Ecosystems (BIO).

Fortum’s disclosures are prepared in accordance with the EU Taxonomy Regulation and implementing delegated acts. For the financial year ending 31 December 2025, Fortum reports the proportion of Taxonomy-aligned activities and Taxonomy-eligible (not aligned) activities in relation to three KPIs (Turnover, Operating expenses and Capital expenditure) and the plan (Capital expenditure plan) that aims either to expand Fortum’s Taxonomy-aligned economic activities or to upgrade Taxonomy-eligible economic activities to render them Taxonomy-aligned within a period of five years. The reporting scope includes Fortum’s subsidiaries consolidated to the Group as of 31 December 2025.

Fortum's EU Taxonomy-aligned economic activities are described in the table below:

| Code | Business activity | Description of business activity |
|---|---|---|
| CCM4.3 | Electricity generation from wind power | Pjelax onshore wind farm in Finland, producing more than 1 TWh of electricity annually. |
| CCM4.5 | Electricity generation from hydro power | Fortum's hydropower plants in Finland and Sweden, producing approximately 20 TWh of electricity annually. |
| CCM4.11 | Storage of thermal energy | District heating system transformation in Espoo, Finland ('Espoo Clean Heat') is under construction. Part of the project includes construction of an electric boiler/heat storage in the Nuijala area. |
| CCM4.15 | District heating/cooling distribution | District heating in Finland (Espoo, Kauniainen and Kirkkonummi) and Poland (Czestochowa, Plock and Wroclaw), distributing approximately 4 TWh of heat and steam annually. |
| CCM4.20 | CHP co-generation heat/cool from bioenergy | Decarbonisation of a CHP plant in Czestochowa, Poland, which is being retrofitted from coal to biomass. |
| CCM4.25 | Production of heat/cool using waste heat | District heating system transformation in Espoo, Finland ('Espoo Clean Heat') is under construction. Part of the project includes utilising waste heat from a data centre in the Kolabacken and Hepokorpi area. When the construction phase is finalised, the annual district heat production is expected to be approximately 1.4 TWh. The category also includes a small amount of production of heat using waste in Wroclaw, Poland. |
| CCM4.27 | Construction and safe operation of new nuclear power plants | Co-owned Olkiluoto 3 nuclear power plant in Finland producing approximately 2.6 TWh (Fortum's share in 2025) of electricity annually. |
| CCM4.28 | Electricity generation from nuclear energy in existing installations | Fortum's fully owned nuclear power plant in Loviisa, Finland, as well as co-owned plants in Finland and Sweden, producing approximately 22 TWh of electricity annually. |

## 2.6.2 Analysis of economic activities

**Analysis of eligible economic activities**

Fortum classifies its economic activities to aligned, eligible (not aligned) and non-eligible corresponding to the economic activities described in the Climate Delegated Act, Complementary Climate Delegated Act and Environmental Delegated Act. Eligibility of Fortum’s business operations was evaluated according to the descriptions of economic activities listed in the Climate Delegated Act (Annex I – CCM and Annex II – CCA), the Environmental Delegated Act (Annex I – WTR, Annex II – CE, Annex III – PPC, Annex IV – BIO) and the related NACE codes (Nomenclature of Economic Activities, European statistical classification of economic activities) provided in these descriptions. The evaluation was performed either at the power plant or business unit level, reflecting the nature of the operations.

**Analysis of aligned economic activities**

An eligible activity is considered to be aligned if it complies with the technical screening criteria of contributing substantially to at least one of the six environmental objectives, if it does not significantly harm the other environmental objectives (do no significant harm, DNSH, criteria), and if it is carried out in compliance with the minimum safeguards (MS) relating to human rights, fundamental labour rights, taxation, anti-corruption, bribery and fair competition. Fortum recognises economic activities under CCM, and previously under CE and PPC for the disposed recycling and waste business. The alignment of Fortum’s most material eligible economic activities is based on interpretations and assumptions, as described below.

### Application method for substantial contribution criteria, DNSH criteria and minimum safeguards

Sustainability management at Fortum is strategy-driven and based on Fortum's values, the Code of Conduct, the Supplier Code of Conduct, the Sustainability Policy, other sustainability-related Group policies, as well as their specifying instructions. When analysing substantial contribution and DNSH criteria, Fortum relies specifically on its Sustainability Policy, Minimum Requirements for EHS Management, the Biodiversity Manual and the Group Risk Policy. Fortum is committed to a high level of environmental and safety management, complies with all regulations, and has license to operate each site. All Fortum's production sites are ISO 14001 certified. Fortum's sustainability management and policies for environmental matters are described in 1.5.4 Statement on sustainability due diligence and 2.1.2 Policies on environmental matters.

In order to assess the alignment of its activities, Fortum's relevant business units verified their economic activities' compliance with the substantial contribution and DNSH criteria listed under the respective Act. Substantial contribution criteria are specific to each economic activity, and compliance was assessed on a system, facility or installation level, as appropriate. DNSH criteria can be generic or economic activity-specific. Compliance with each DNSH criteria was assessed on the most material level reflecting the nature of the economic activity.

Fortum has its own and co-owned nuclear power plants in Finland and Sweden. Operations at these plants relate to EU Taxonomy economic activities 'Construction and safe operation of new nuclear power plants' (CCM 4.27) and 'Electricity generation from nuclear energy in existing installations' (CCM 4.28). The most important task of nuclear power operations is to produce electricity safely, reliably, and competitively, in the short- and long-term, while complying with the principles of nuclear and radiation safety, waste management safety, and nuclear material control. Compliance with all of these requirements is overseen by national authorities in Finland and Sweden. Fortum complies with nuclear-related national regulation, which is considered to be the basis for the EU Taxonomy alignment criteria. Fortum's own and co-owned existing nuclear power plants have done, or are planning to start, modification of existing nuclear installations for the purposes of lifetime extension. Lifetime extension projects are always subject to national authorities' approval and comprehensive environmental and safety assessments.

### DNSH Climate change mitigation

The management of climate change is integrated into Fortum's strategy. Fortum has set Scope 1, 2 and 3 emission reduction targets, and performance against the targets is disclosed in section 2.2.5 Targets for climate change.

### DNSH Climate change adaptation

The management of climate-related risks is integrated into Fortum's Group risk management framework and follows the same governance and processes as other material risks and uncertainties. Risks are identified and assessed annually through an enterprise risk management framework. Taxonomy-relevant entities are required to take into account physical climate risks. Entities must also understand their assets' resilience towards different acute and chronic physical climate-related risks within different Intergovernmental Panel on Climate Change (IPCC) climate scenarios and create adaptation plans for the most material risks. Fortum's material climate-related risks are described in section 2.2.2 Material impacts, risks and opportunities for climate change.

### DNSH Sustainable use and protection of water and marine resources

Fortum manages and uses major water resources in most of its operating countries and is committed to responsible water management. Fortum's responsibility for water use is related not only to volume and availability, but also to water quality and to the aquatic habitat. Consequently, all production sites under Fortum's operational control are included in the annual reporting scope for water use metrics and water stress assessment, reported in section 1.4.2 Material impacts, risks and opportunities. Water management guarantees that the operational sites comply with national regulations and have a licence to operate. Fortum also carries out water-related measures locally, where relevant, in order to take into consideration the needs of other water users. Collaboration with local communities, municipalities, authorities, and research institutes is important in the implementation of these measures. Fortum's electricity generation from hydropower in Finland and Sweden is under the control of the authorities in the frame of the Water Framework Directive (WFD). National transposition and timeline of the WFD is considered in the DNSH review.

### DNSH Transition to a circular economy

Fortum takes into account the life cycle and resource efficiency of its products and projects. Durability and recyclability of equipment and components are included in procurement processes. Fortum aims for utilisation and recovery of its own by-products and waste. Minimising the amount of waste and efficient management of end-of-life equipment and components is expected from Fortum's operating sites.

In addition to conventional industrial waste, Fortum's fully owned and co-owned nuclear power plants in Finland and Sweden generate radioactive waste. All plants take full financial and safe execution responsibility over radioactive waste originating from the operations and decommissioning, and they optimise and develop treatment processes to minimise the amount of waste stored. All low-, intermediate- and high-level radioactive waste is treated and stored on site or in a special storage site located in the country where the waste is generated. Fortum's approach to circular economy and nuclear waste management is reported in more detail in section 2.5 Resource use and circular economy.

### DNSH Pollution prevention and control

Fortum's chemical management ensures compliance with local regulations, existing permits and that chemicals used in operations do not cause any significant harm, covering the substances listed in Appendix C (Annex I – CCM). Fulfilling the requirements set by Fortum and the legislation in the respective country, proper management of chemicals in the whole chain—from purchasing to disposal, minimising risks related to the handling of chemicals, and limiting and continuously reducing the use of hazardous chemicals, and, where possible, replacing them with alternatives that are safer for health and less harmful to the environment—is ensured. See section 2.3 Pollution.

Fortum continuously aims to mitigate its environmental impact by utilising best practices and best available technologies. Minimum Requirements for EHS Management ensure compliance with permit conditions, regular monitoring and reporting of emissions to air, water and soil, and risk mitigation to prevent any cross-media effects. The relevant techniques for pollution prevention and control are in place at all relevant sites and meet the relevant associated emission limits.

The nuclear power operations' radioactive discharges to air, water and soil comply with individual licence conditions. Discharges and environmental impacts are strictly monitored by Finnish and Swedish authorities who have the national

oversight of nuclear power plants. Spent fuel and radioactive waste is safely and responsibly managed, including ensuring adequate storage capacity.

### DNSH Protection and restoration of biodiversity and ecosystems

Fortum's biodiversity management is an integral part of the environmental management system covering all operations. Biodiversity management, defined in the Biodiversity Manual, ensures compliance with biodiversity-related requirements set by local regulations and that necessary steps are taken whenever feasible to avoid, mitigate, or address potential impacts. The Biodiversity Manual requires that special consideration is given for sites that are close to protected areas or threatened habitats or where any known population of a threatened or protected species might be affected. Fortum's approach to biodiversity is reported in more detail in section 2.4 Biodiversity and ecosystems.

### Minimum safeguards

Fortum follows and respects internationally recognised human rights, which are included in the key human rights treaties. Respect for human rights is expressed in the Code of Conduct and the Supplier Code of Conduct. The UN Guiding Principles on Business and Human Rights are taken into account in own operations and in supply chain management. Fortum's approach to human rights due diligence is based on the UN Guiding Principles on Business and Human Rights and follows the six steps outlined in the OECD Guidelines for Multinational Enterprises.

Zero tolerance for corruption and bribery is highlighted in the Code of Conduct and the Supplier Code of Conduct. In addition, separate instructions and guidelines have been created to address various topics, including but not limited to anti-bribery, compliance management, safeguarding company assets, conflict of interest, anti-money laundering, economic sanctions and competition law. See section 4 Business conduct.

Fortum has implemented due diligence processes for environment, taxation, anti-corruption and bribery, as well as fair competition. Requirements for human rights, labour rights, environment, anti-corruption and fair competition are included in Fortum's procurement processes. Group-level commitments, policies, instructions and guidelines apply to all of Fortum's activities in all operating countries. For more information on sustainability due diligence, see 1.5.4 Statement on sustainability due diligence. Fortum (or senior management) has not been found to have violated labour laws, human rights, or competition laws. Fortum has also not been found guilty of tax evasion, corruption or bribery.

## 2.6.3 EU Taxonomy KPIs

The following tables present the proportions of aligned and eligible (not aligned) activities of turnover, operating expenses and capital expenditure under the EU Taxonomy Regulation for the Group.

### Turnover KPI

| EUR million | 2025 | | 2024 | |
|---|---|---|---|---|
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | 2,325 | 47% | 2,869 | 49% |
| A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) | 35 | 1% | 42 | 1% |
| A. Total Taxonomy-eligible activities | 2,360 | 47% | 2,911 | 50% |
| B. Taxonomy-non-eligible activities | 2,629 | 53% | 2,889 | 50% |
| **Total (A+B)** | **4,989** | **100%** | **5,800** | **100%** |

### Operating expenses KPI

| EUR million | 2025 | | 2024 | |
|---|---|---|---|---|
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | -181 | 79% | -181 | 75% |
| A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) | -6 | 3% | -10 | 4% |
| A. Total Taxonomy-eligible activities | -187 | 82% | -191 | 79% |
| B. Taxonomy-non-eligible activities | -41 | 18% | -51 | 21% |
| **Total (A+B)** | **-228** | **100%** | **-242** | **100%** |

### Capital expenditure KPI

| EUR million | 2025 | | 2024 | |
|---|---|---|---|---|
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | 386 | 61% | 386 | 74% |
| A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) | 89 | 14% | 11 | 2% |
| A. Total Taxonomy-eligible activities | 475 | 75% | 397 | 76% |
| B. Taxonomy-non-eligible activities | 156 | 25% | 128 | 24% |
| **Total (A+B)** | **631** | **100%** | **525** | **100%** |

### Changes in reporting from 2024

Fortum concluded the sale of its recycling and waste business on 29 November 2024. The EU Taxonomy KPIs in 2024 include the recycling and waste business from 1 January 2024 to 29 November 2024. The most significant economic activities for recycling and waste were 'Treatment of hazardous waste' (PPC 2.2) and 'Sorting and material recovery of non-hazardous waste' (CE 2.7).

### Aligned economic activities

In terms of turnover, 47% (2024: 49%), in terms of operating expenses, 79% (2024: 75%), and in terms of capital expenditure, 61% (2024: 74%), of Fortum's economic activities are Taxonomy-aligned.

The most significant aligned activities are electricity generation from hydropower with an installed capacity of 4.7 GW (approx. 50% of total capacity) (2024: 4.7 GW, approx. 50% of total capacity) and electricity generation from nuclear energy with an installed capacity of 3.2 GW (approx. 35% of total capacity) (2024: 3.2 GW, approx. 35% of total capacity).

### Eligible (not aligned) economic activities

In terms of turnover, 1% (2024: 1%), in terms of operating expenses, 3% (2024: 4%), and in terms of capital expenditure, 14% (2024: 2%), of Fortum's economic activities are Taxonomy-eligible (not aligned).

### Non-eligible economic activities

A non-eligible economic activity does not correspond to any economic activity description provided in the EU Taxonomy Regulation. Fortum's non-eligible activities include electricity retail (Consumer Solutions segment), electricity and commodities trading, coal-based power and heat generation, engineering services related to non-renewable assets, as well as administrative overheads.

### Fortum's Green Financing linked to EU Taxonomy alignment

Fortum has a Green Finance Framework, which allows Fortum to raise capital via green bonds and loans to finance and refinance taxonomy-aligned renewable energy and energy-efficiency projects, and/or nuclear power projects. As required by the EU Taxonomy Regulation, an adjusted turnover KPI is disclosed. The turnover KPI adjusted for sales from Taxonomy-aligned assets that have been refinanced under Fortum's Green Finance Framework is 46% (2024: 49). No adjustment has been made to the capital expenditure KPI, as refinancing is allocated to an existing asset base as opposed to new capital expenditure.

## Turnover KPI

| | | 2025 | | Substantial contribution criteria | | | | | | DNSH criteria ("Do Not Significantly Harm") | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic activities | Code | Turnover EUR million | Proportion of Turnover 2025 | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Minimum safeguards | Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) turnover 2024 | Category enabling activity | Category trans-itional activity |
| **A. Taxonomy-eligible activities** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| Electricity generation from wind power | CCM4.3 | 65 | 1% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 1% | | |
| Electricity generation from hydropower | CCM4.5 | 1,060 | 21% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 20% | | |
| Storage of thermal energy | CCM4.11 | 18 | 0% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| District heating/cooling distribution | CCM4.15 | 136 | 3% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 2% | | |
| CHP co-generation heat/cool from bioenergy | CCM4.20 | 0 | 0% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| Production of heat/cool from waste heat | CCM4.25 | 33 | 1% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| Construction and safe operation of new nuclear power plants | CCM4.27 | 111 | 2% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 2% | | T |
| Electricity generation from nuclear energy in existing installations | CCM4.28 | 868 | 17% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 17% | | T |
| Activities in divested businesses [1] | | 0 | 0% | | | | | | | Y | Y | Y | Y | Y | Y | Y | 6% | | |
| Other [2] | | 33 | 1% | | | | | | | Y | Y | Y | Y | Y | Y | Y | 1% | | |
| **A.1 Total** | | **2,325** | **47%** | **47%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **49%** | | |
| Of which enabling | | 5 | 0% | 0% | | | | | | Y | Y | Y | Y | Y | Y | Y | 0% | E | |
| Of which transitional | | 979 | 20% | 20% | | | | | | Y | Y | Y | Y | Y | Y | Y | 19% | | T |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| Electricity generation from wind power | CCM4.3 | 2 | 0% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| Electricity generation from hydropower | CCM4.5 | 6 | 0% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| High-efficiency co-generation of heat/cool and power from fossil gaseous fuels | CCM4.30 | 16 | 0% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | T |
| Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system | CCM4.31 | 8 | 0% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | T |
| Other [3] | | 3 | 0% | | | | | | | | | | | | | | 0% | | |
| **A.2 Total** | | **35** | **1%** | **1%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **1%** | | |
| **A. Total Taxonomy-eligible activities** | | **2,360** | **47%** | **47%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **50%** | | |
| **B. Taxonomy-non-eligible activities** | | **2,629** | **53%** | | | | | | | | | | | | | | | | |
| **Total (A+B)** | | **4,989** | **100%** | | | | | | | | | | | | | | | | |

Y – Taxonomy-eligible and Taxonomy-aligned activity with the relevant objective,
EL – Taxonomy-eligible activity for the relevant objective,
N/EL – Taxonomy-non-eligible activity for the relevant objective.
1) Includes economic activities PPC2.2, PPC2.4, CE2.6, CE2.7, CE3.3.
2) Includes economic activities CCM3.4 (E), CCM4.24.
3) Includes economic activities CCM3.10, CCM 4.1, CCM4.20, CCM4.25, CCM5.10, PPC2.2, CE4.1.

The proportion of turnover for activities contributing substantially to several objectives is presented in the following table:

| | Proportion of turnover / Total turnover | |
|---|---|---|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | N/A | N/A |
| CCA | N/A | N/A |
| WTR | N/A | N/A |
| CE | N/A | N/A |
| PPC | N/A | N/A |
| BIO | N/A | N/A |

## Operating expenses KPI

| Economic activities | Code | 2025 | | Substantial contribution criteria | | | | | | DNSH criteria ("Do Not Significantly Harm") | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | OpEx EUR million | Proportion of OpEx 2025 | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Minimum safeguards | Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) OpEx 2024 | Category enabling activity | Category trans- itional activity |
| **A. Taxonomy-eligible activities** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| Electricity generation from wind power | CCM4.3 | -5 | 2% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 2% | | |
| Electricity generation from hydropower | CCM4.5 | -106 | 46% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 29% | | |
| Storage of thermal energy | CCM4.11 | -1 | 1% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| District heating/cooling distribution | CCM4.15 | -17 | 8% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 7% | | |
| CHP co-generation heat/cool from bioenergy | CCM4.20 | 0 | 0% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 0% | | |
| Production of heat/cool from waste heat | CCM4.25 | -3 | 1% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 1% | | |
| Construction and safe operation of new nuclear power plants | CCM4.27 | 0 | 0% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 0% | | T |
| Electricity generation from nuclear energy in existing installations | CCM4.28 | -41 | 18% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 19% | | T |
| Activities in divested businesses [1] | | 0 | 0% | | | | | | | Y | Y | Y | Y | Y | Y | Y | 14% | | |
| Other [2] | | -7 | 3% | | | | | | | Y | Y | Y | Y | Y | Y | Y | 3% | | |
| **A.1 Total** | | **-181** | **79%** | **79%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **75%** | | |
| Of which enabling | | -3 | 1% | 1% | | | | | | Y | Y | Y | Y | Y | Y | Y | 1% | E | |
| Of which transitional | | -41 | 18% | 18% | | | | | | Y | Y | Y | Y | Y | Y | Y | 19% | | T |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| Electricity generation from wind power | CCM4.3 | -1 | 1% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| Electricity generation from hydropower | CCM4.5 | 0 | 0% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| High-efficiency co-generation of heat/cool and power from fossil gaseous fuels | CCM4.30 | -1 | 1% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | T |
| Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system | CCM4.31 | -1 | 0% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | T |
| Other [3] | | -2 | 1% | | | | | | | | | | | | | | 3% | | |
| **A.2 Total** | | **-6** | **3%** | **3%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **4%** | | |
| **A. Total Taxonomy-eligible activities** | | **-187** | **82%** | **82%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **79%** | | |
| **B. Taxonomy-non-eligible activities** | | **-41** | **18%** | | | | | | | | | | | | | | | | |
| **Total (A+B)** | | **-228** | **100%** | | | | | | | | | | | | | | | | |

Y – Taxonomy-eligible and Taxonomy-aligned activity with the relevant objective,
EL – Taxonomy-eligible activity for the relevant objective,
N/EL – Taxonomy-non-eligible activity for the relevant objective.
1) Includes economic activities PPC2.2, PPC2.4, CE2.6, CE2.7, CE3.3.
2) Includes economic activities CCM3.4 (E), CCM4.24.
3) Includes economic activities CCM3.10, CCM 4.1, CCM4.20, CCM4.25, CCM5.10, PPC2.2, CE4.1.

The proportion of operating expenses for activities contributing substantially to several objectives is presented in the following table:

| | Proportion of OpEx / Total OpEx | |
|---|---|---|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | N/A | N/A |
| CCA | N/A | N/A |
| WTR | N/A | N/A |
| CE | N/A | N/A |
| PPC | N/A | N/A |
| BIO | N/A | N/A |

## Capital expenditure KPI

| Economic activities | Code | 2025 CapEx EUR million | 2025 Proportion of CapEx 2025 | Substantial contribution criteria: Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | DNSH criteria ("Do Not Significantly Harm"): Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Minimum safeguards | Proportion of Taxonomy- aligned (A.1.) or eligible (A.2.) CapEx 2024 | Category enabling activity | Category trans-itional activity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **A. Taxonomy-eligible activities** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| Electricity generation from wind power | CCM4.3 | 4 | 1% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 6% | | |
| Electricity generation from hydropower | CCM4.5 | 138 | 22% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 25% | | |
| Storage of thermal energy | CCM4.11 | 18 | 3% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 1% | | |
| District heating/cooling distribution | CCM4.15 | 46 | 7% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 7% | | |
| CHP co-generation heat/cool from bioenergy | CCM4.20 | 42 | 7% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 1% | | |
| Production of heat/cool from waste heat | CCM4.25 | 70 | 11% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 14% | | |
| Construction and safe operation of new nuclear power plants | CCM4.27 | 0 | 0% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 0% | | T |
| Electricity generation from nuclear energy in existing installations | CCM4.28 | 62 | 10% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | Y | Y | Y | Y | Y | Y | Y | 10% | | T |
| Activities in divested businesses [1] | | 0 | 0% | | | | | | | Y | Y | Y | Y | Y | Y | Y | 9% | | |
| Other [2] | | 6 | 1% | | | | | | | Y | Y | Y | Y | Y | Y | Y | 1% | | |
| **A.1 Total** | | **386** | **61%** | **61%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **74%** | | |
| Of which enabling | | 6 | 1% | 1% | | | | | | Y | Y | Y | Y | Y | Y | Y | 1% | E | |
| Of which transitional | | 62 | 10% | 10% | | | | | | Y | Y | Y | Y | Y | Y | Y | 10% | | T |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| Electricity generation from wind power | CCM4.3 | 78 | 12% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | |
| Electricity generation from hydropower | CCM4.5 | 3 | 0% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 1% | | |
| High-efficiency co-generation of heat/cool and power from fossil gaseous fuels | CCM4.30 | 8 | 1% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | T |
| Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system | CCM4.31 | 0 | 0% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0% | | T |
| Other [3] | | 0 | 0% | | | | | | | | | | | | | | 1% | | |
| **A.2 Total** | | **89** | **14%** | **14%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **2%** | | |
| **A. Total Taxonomy-eligible activities** | | **475** | **75%** | **75%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **76%** | | |
| **B. Taxonomy-non-eligible activities** | | **156** | **25%** | | | | | | | | | | | | | | | | |
| **Total (A+B)** | | **631** | **100%** | | | | | | | | | | | | | | | | |

Y – Taxonomy-eligible and Taxonomy-aligned activity with the relevant objective,
EL – Taxonomy-eligible activity for the relevant objective,
N/EL – Taxonomy-non-eligible activity for the relevant objective.
1) Includes economic activities PPC2.2, PPC2.4, CE2.6, CE2.7, CE3.3.
2) Includes economic activities CCM3.4 (E), CCM4.24.
3) Includes economic activities CCM3.10, CCM 4.1, CCM4.20, CCM4.25, CCM5.10, PPC2.2, CE4.1.

The proportion of capital expenditure for activities contributing substantially to several objectives is presented in the following table:

| | Proportion of CapEx / Total CapEx | |
|---|---|---|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | N/A | N/A |
| CCA | N/A | N/A |
| WTR | N/A | N/A |
| CE | N/A | N/A |
| PPC | N/A | N/A |
| BIO | N/A | N/A |

## 2.6.4 Transitional activities (Nuclear and Natural gas)

A transitional activity is an activity that supports the transition to a climate-neutral economy where there is not a technologically and economically feasible low-carbon alternative. Fortum's transitional activities are mainly concentrating on electricity generation from new and existing nuclear installations. Fortum does not have non-eligible economic activities related to nuclear or natural gas, hence Template 5 Taxonomy non-eligible economic activities (Complementary Climate Delegated Act, Annex III) is not presented below.

### Nuclear- and fossil gas-related activities

| Nuclear energy related activities | |
|---|---|
| The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | No |
| The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | Yes |
| The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | Yes |

| Fossil gas related activities | |
|---|---|
| The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | No |
| The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. | Yes |
| The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. | Yes |

## Aligned economic activities (A.1)

### Turnover KPI

| Taxonomy-aligned economic activities (denominator) | Amount and proportion 2025 | | | | | | Amount and proportion 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | |
| **Economic activities** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI | 111 | 2% | 111 | 2% | 0 | 0% | 124 | 2% | 124 | 2% | 0 | 0% |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI | 868 | 17% | 868 | 17% | 0 | 0% | 980 | 17% | 980 | 17% | 0 | 0% |
| Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the denominator of the turnover KPI | 1,346 | 27% | 1,346 | 27% | 0 | 0% | 1,765 | 30% | 1,765 | 30% | 0 | 0% |
| **Total** | **2,325** | **47%** | **2,325** | **47%** | **0** | **0%** | **2,869** | **49%** | **2,869** | **49%** | **0** | **0%** |

| Taxonomy-aligned economic activities (numerator) | Amount and proportion 2025 | | | | | | Amount and proportion 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | |
| **Economic activities** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI | 111 | 5% | 111 | 5% | 0 | 0% | 124 | 4% | 124 | 4% | 0 | 0% |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI | 868 | 37% | 868 | 37% | 0 | 0% | 980 | 34% | 980 | 34% | 0 | 0% |
| Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the numerator of the turnover KPI | 1,346 | 58% | 1,346 | 58% | 0 | 0% | 1,765 | 62% | 1,765 | 62% | 0 | 0% |
| **Total** | **2,325** | **100%** | **2,325** | **100%** | **0** | **0%** | **2,869** | **100%** | **2,869** | **100%** | **0** | **0%** |

### Operating expenses KPI

| Taxonomy-aligned economic activities (denominator) | Amount and proportion 2025 | | | | | | Amount and proportion 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | |
| **Economic activities** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenses KPI | — | —% | — | —% | — | —% | — | —% | — | —% | — | —% |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenses KPI | -41 | 18% | -41 | 18% | — | —% | -45 | 19% | -45 | 19% | — | —% |
| Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the denominator of the operating expenses KPI | -140 | 61% | -140 | 61% | — | —% | -136 | 56% | -136 | 56% | — | —% |
| **Total** | **-181** | **79%** | **-181** | **79%** | **—** | **—%** | **-181** | **75%** | **-181** | **75%** | **—** | **—%** |

| Taxonomy-aligned economic activities (numerator) | Amount and proportion 2025 | | | | | | Amount and proportion 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | |
| **Economic activities** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the operating expenses KPI | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the operating expenses KPI | -41 | 23% | -41 | 23% | 0 | 0% | -45 | 25% | -45 | 25% | 0 | 0% |
| Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the numerator of the operating expenses KPI | -140 | 77% | -140 | 77% | 0 | 0% | -136 | 75% | -136 | 75% | 0 | 0% |
| **Total** | **-181** | **100%** | **-181** | **100%** | **0** | **0%** | **-181** | **100%** | **-181** | **100%** | **0** | **0%** |

## Capital expenditure KPI

| Taxonomy-aligned economic activities (denominator) | Amount and proportion 2025 | | | | | | Amount and proportion 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | |
| **Economic activities** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure KPI | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure KPI | 62 | 10% | 62 | 10% | 0 | 0% | 54 | 10% | 54 | 10% | 0 | 0% |
| Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the denominator of the capital expenditure KPI | 324 | 51% | 324 | 51% | 0 | 0% | 333 | 63% | 333 | 63% | 0 | 0% |
| **Total** | **386** | **61%** | **386** | **61%** | **0** | **0%** | **386** | **74%** | **386** | **74%** | **0** | **0%** |

| Taxonomy-aligned economic activities (numerator) | Amount and proportion 2025 | | | | | | Amount and proportion 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | |
| **Economic activities** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the capital expenditure KPI | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the capital expenditure KPI | 62 | 16% | 62 | 16% | 0 | 0% | 54 | 14% | 54 | 14% | 0 | 0% |
| Amount and proportion of other taxonomy-aligned economic activities not referred to in rows above in the numerator of the capital expenditure KPI | 324 | 84% | 324 | 84% | 0 | 0% | 333 | 86% | 333 | 86% | 0 | 0% |
| **Total** | **386** | **100%** | **386** | **100%** | **0** | **0%** | **386** | **100%** | **386** | **100%** | **0** | **0%** |

## Eligible economic activities (A.2)

### Turnover KPI

| Taxonomy-eligible but not taxonomy-aligned economic activities | Amount and proportion 2025 | | | | | | Amount and proportion 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | |
| **Economic activities** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** |
| Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI | 16 | 0% | 16 | 0% | 0 | 0% | 12 | 0% | 12 | 0% | 0 | 0% |
| Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI | 8 | 0% | 8 | 0% | 0 | 0% | 9 | 0% | 9 | 0% | 0 | 0% |
| Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows above in the denominator of the turnover KPI | 11 | 0% | 11 | 0% | 0 | 0% | 21 | 0% | 21 | 0% | 0 | 0% |
| **Total** | **35** | **1%** | **35** | **1%** | **0** | **0%** | **42** | **1%** | **42** | **1%** | **0** | **0%** |

### Operating expenses KPI

| Taxonomy-eligible but not taxonomy-aligned economic activities | Amount and proportion 2025 | | | | | | Amount and proportion 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | |
| **Economic activities** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** |
| Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenses KPI | -1 | 1% | -1 | 1% | 0 | 0% | -1 | 0% | -1 | 0% | 0 | 0% |
| Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the operating expenses KPI | -1 | 0% | -1 | 0% | 0 | 0% | -1 | 0% | -1 | 0% | 0 | 0% |
| Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows above in the denominator of the operating expenses KPI | -4 | 2% | -4 | 2% | 0 | 0% | -8 | 3% | -8 | 3% | 0 | 0% |
| **Total** | **-6** | **3%** | **-6** | **3%** | **0** | **0%** | **-10** | **4%** | **-10** | **4%** | **0** | **0%** |

### Capital expenditure KPI

| Taxonomy-eligible but not taxonomy-aligned economic activities | Amount and proportion 2025 | | | | | | Amount and proportion 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | | CCM + CCA | | Climate change mitigation (CCM) | | Climate change adaptation (CCA) | |
| **Economic activities** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** | **EUR million** | **%** |
| Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure KPI | 8 | 1% | 8 | 1% | 0 | 0% | 2 | 0% | 2 | 0% | 0 | 0% |
| Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the capital expenditure KPI | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows above in the denominator of the capital expenditure KPI | 81 | 13% | 81 | 13% | 0 | 0% | 9 | 2% | 9 | 2% | 0 | 0% |
| **Total** | **89** | **14%** | **89** | **14%** | **0** | **0%** | **11** | **2%** | **11** | **2%** | **0** | **0%** |

## 2.6.5 Capital expenditure plan

The capital expenditure plan refers to significant future capital investments approved by management that aim either to expand Fortum's Taxonomy-aligned economic activities or to upgrade Taxonomy-eligible economic activities to render them Taxonomy-aligned within a period of five years.

Total planned capital expenditure meeting the above definition amounted to approximately EUR 1.0 billion on 31 December 2025 and is expected to be incurred over the next five years, with the exception of the Loviisa lifetime extension for which ten-year capital expenditure is included in the reported capital expenditure plan due to the long-term nature of the investment. Planned capital expenditure on 31 December 2025 mainly include the Loviisa nuclear power plant lifetime extension; the Espoo Clean Heat project, a programme to drive decarbonisation and build sustainable waste heat solutions in the Helsinki metropolitan area; the Czestochowa project in Poland; and projects increasing production at existing hydro plants. The majority of the projects included in the capital expenditure plan will be completed during the next four years, but the Loviisa lifetime extension project will continue until 2050. Planned capital expenditure remains at approximately the same level as in 2024.

Operating expenses related to the 2025 capital expenditure plan projects are not material (2024: not material).

## 2.6.6 Definitions, reconciliations and basis of calculation

### Turnover

The term 'turnover' used in these EU Taxonomy disclosures refers to sales, the term Fortum uses elsewhere in the annual report. Turnover is based on the sales reported on Fortum's consolidated income statement (Note 6 Revenue and reportable segments). Breakdown of turnover:

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **EUR million** | **A.1 Taxonomy-aligned** | **Total** | **A.1 Taxonomy-aligned** | **Total** |
| Power | 2,096 | 3,939 | 2,326 | 4,368 |
| Heat | 212 | 533 | 196 | 527 |
| Other | 18 | 517 | 347 | 905 |
| **Total** | **2,325** | **4,989** | **2,869** | **5,800** |

The decrease in Taxonomy-aligned turnover from 2024 is mainly due to hydro and nuclear. Hydro generation volumes decreased by 8% and nuclear volumes decreased by 9%. Fortum's hydro generation was clearly below the long-term historical average. The impact of the unplanned outages, mainly the extended outage at Oskarshamn's third unit, negatively affected nuclear generation volumes by 3.9 TWh in 2025. The achieved power price was 51.4 EUR/MWh, a decrease of 2%, or 1.1 EUR/MWh from 2024. The slightly lower achieved power price was attributable to lower hedge price outcome, which was partly offset by good physical optimisation. The blended spot power price in Fortum's generation price areas amounted to 38.5 EUR/MWh compared to 38.4 EUR/MWh in 2024.

The electricity generation from the nuclear and hydropower turnover KPIs includes sales from co-owned assets that are operated under the Mankala model. In the Mankala model, the co-owned power company sells the produced electricity to its shareholders at cost in proportion to their ownership.

### Operating expenses

Operating expenses consist of direct non-capitalised costs that are necessary to ensure the continued and effective functioning of property, plant and equipment. These expenses include repairs and maintenance, building servicing, short-term rentals and similar costs, as well as other direct expenditures relating to the day-to-day servicing of these assets. Breakdown of operating expenses:

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **EUR million** | **A.1 Taxonomy-aligned** | **Total** | **A.1 Taxonomy-aligned** | **Total** |
| Repairs and maintenance | -92 | -116 | -106 | -145 |
| Short-term rentals and other property costs | -68 | -82 | -48 | -62 |
| Other | -21 | -30 | -27 | -36 |
| **Total** | **-181** | **-228** | **-181** | **-242** |

### Capital expenditure

Capital expenditure consists of additions to property, plant and equipment, intangible assets, right-of-use assets as well as additions through business combinations. Breakdown of capital expenditure:

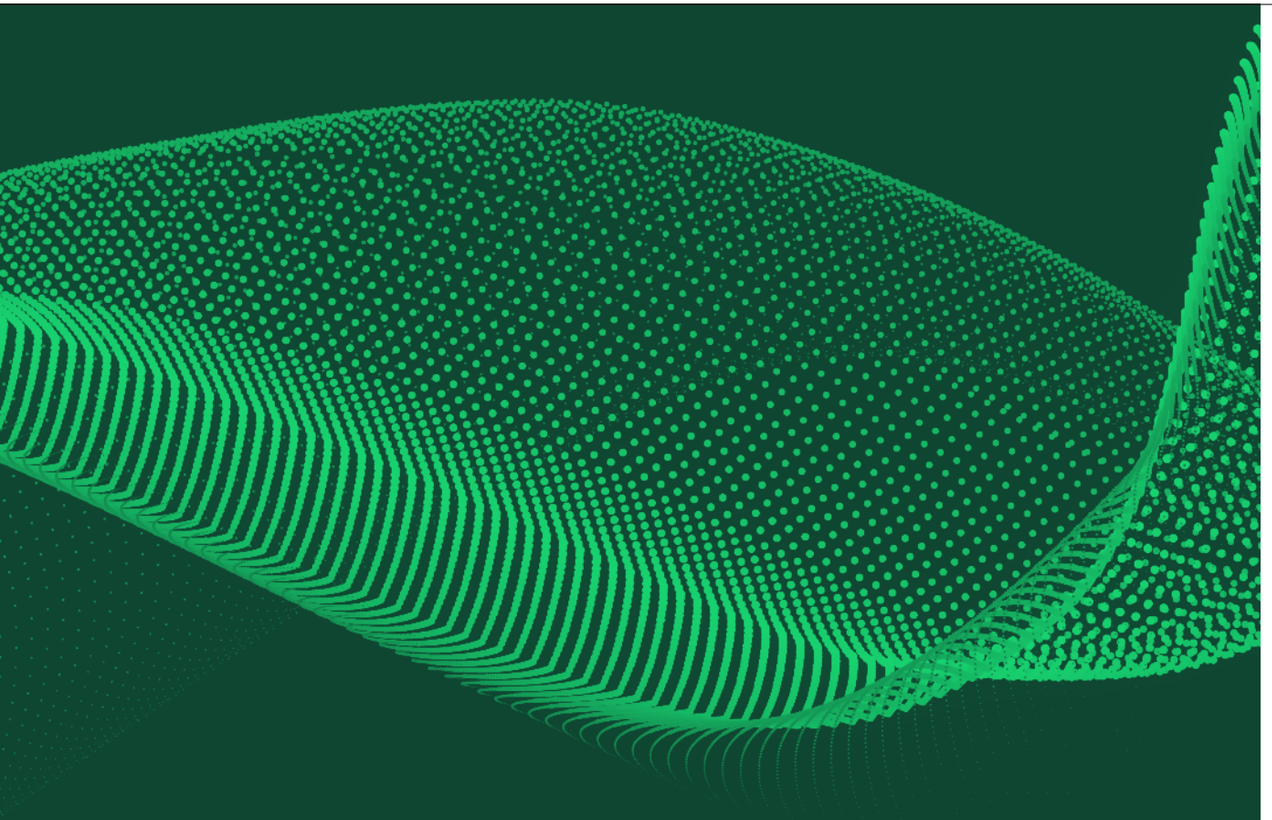
| | | 2025 | | 2024 | |
|---|---|---|---|---|---|
| **EUR million** | **Note** | **A.1 Taxonomy-aligned** | **Total** | **A.1 Taxonomy-aligned** | **Total** |
| Additions to intangible assets | 16 | 4 | 64 | 1 | 81 |
| Additions to property, plant and equipment | 17 | 367 | 436 | 372 | 404 |
| Additions to right-of-use assets | 33 | 15 | 43 | 13 | 40 |
| Additions through business combinations | 3 | 0 | 88 | 0 | 0 |
| **Total** | | **386** | **631** | **386** | **525** |

Taxonomy-aligned capital expenditure in 2025 is at similar level to 2024.

### Basis of calculation

The financial data used for calculating the EU Taxonomy KPIs has been retrieved from Fortum's financial systems and is based on the same data and Group accounting principles as Fortum's consolidated financial statements for the year ending 31 December 2025 (see Notes to the consolidated financial statements for details). Appropriate controls have been implemented to eliminate the risk of double counting. Financial data has been allocated to aligned and eligible economic activities as follows:

- The majority of electricity sales has been allocated to aligned and eligible activities based on production volume. The electricity generation from nuclear and hydropower turnover KPIs include sales from co-owned assets that are operated under the Mankala model. In the Mankala model, the co-owned power company sells the produced electricity to its shareholders at cost in proportion to their ownership.
- Other sales and operating expenses data are available in the source systems at the cost centre-level corresponding to individual sites. These cost centres have been allocated to aligned and eligible economic activities.
- Each significant capital expenditure project has been allocated to aligned and eligible economic activities.



# 3 Social sustainability



## 3.1 Introduction

### 3.1.1 Introduction to social sustainability

Social sustainability focuses particularly on own employees, workers in the value chain, and communities around Fortum's sites, as well as consumers and end users. The health and safety of employees and value chain workers working at Fortum's sites is a top priority. Fortum takes privacy and protection of personal data of both own workforce and consumers seriously. Fortum also systematically develops its human rights due diligence process to better address potential negative impacts, as well as collaborates with communities and organisations at global, national and local levels through the Corporate Social Responsibility (CSR) programme.

### 3.1.2 Policies on social matters and respect for human rights

The key policies to address the management of social impacts, risks and opportunities related to own workforce, workers in the value chain, affected communities and consumers and end-users are the Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy. These policies are approved by the Board of Directors and are accompanied by instructions and guidelines to guide implementation. The Fortum Leadership Team is accountable for the implementation of the policies in their responsibility areas. The policies apply to all employees, businesses and corporate functions in all operating countries, and to all external persons working for Fortum. The Supplier Code of Conduct applies to workers in Fortum's supply chains. The above-mentioned policies are available on Fortum's website.

The Sustainability Policy takes into account the views of affected stakeholders received through regular stakeholder engagement. These stakeholders include customers, personnel, suppliers, local communities and non-governmental organisations (NGOs). See section 1.3.2 Interests and views of stakeholders.

The Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy express Fortum's commitment to respect human rights and to act with due diligence to comply with the International Bill of Human Rights, the United Nations Convention on the Rights of the Child, and the fundamental conventions of the International Labour Organisation (ILO). These include international conventions addressing freedom of association, collective bargaining, discrimination and harassment, working time, wages and salaries, health and safety, as well as laws prohibiting forced, compulsory and child labour. Fortum's policies do not explicitly address human trafficking. Fortum has health and safety management systems in place applicable to own employees, non-employee workforces and external contractors' workforces working at Fortum's sites.

Fortum's human rights due diligence approach is aligned with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. Fortum is committed to acting with due care to identify, mitigate, remediate and monitor actual or potential human rights impacts on its own workforce as well as to its business operations, investments and supply chains within its sphere of influence, taking into account the severity and likelihood of impacts, as well as Fortum's leverage and role in the causality of the impacts. To monitor compliance with

the above-mentioned instruments, Fortum conducts an annual review that covers changes in the company or assets, impacts, revised processes, and relevant key performance indicators. Fortum assesses sustainability performance when selecting suppliers, contractors and business partners and seeks to collaborate with business partners to mitigate adverse impacts on human rights.

No severe human rights incidents or cases of non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises related to own employees, value chain workers, affected communities or consumers and end-users have been identified in Fortum's operations nor have there been any legal disputes related to land rights or the free, prior and informed consent of indigenous peoples.

Fortum's key policies and instructions on social matters are presented in the table below. Policies and instructions marked with 'OO' relate to own operations. Those marked with 'VC' aim to address the impacts, risks and opportunities within the value chain, although not all of them are directly binding on the value chain actors.

| Document name | Own workforce | Workers in the value chain | Affected communities | Consumers and end-users |
|---|---|---|---|---|
| **Key policies, instructions and manuals** | | | | |
| Code of Conduct (OO, VC) | ● | ● | ● | ● |
| Supplier Code of Conduct (VC) | | ● | | ● |
| Sustainability Policy (OO, VC) | ● | ● | ● | ● |
| Group Instruction on Fortum Speak-Up procedures (Speak-Up Policy, OO, VC) | ● | ● | ● | ● |
| People Policy (OO) | ● | | | |
| Group Policy for Privacy (OO) | ● | | | ● |
| Corporate Safety and Security Policy (OO, VC) | ● | ● | ● | ● |
| Instructions and Minimum Requirements for EHS Management (OO, VC) | ● | ● | | |
| **Other related policies, instructions and manuals** | | | | |
| Group Risk Policy (OO, VC) | ● | ● | | |
| Sustainability Governance Model (OO) | ● | ● | | |
| Corporate Safety & Security Governance Framework (OO) | ● | | | |
| Investment Manual (OO, VC) | ● | ● | ● | |
| Human rights due diligence at Fortum (OO, VC) | ● | ● | ● | ● |
| Group Counterparty Risk Instruction (OO, VC) | | ● | | |

# 3.2 Own workforce

## 3.2.1 Introduction to own workforce

Fortum employs energy sector professionals working mainly in its main operating countries of Finland, Sweden, Norway and Poland. Fortum emphasises an open and trusting corporate culture and highlights systematic, two-way feedback on employee performance and engagement. Employee safety is a top priority.

A breakdown and characteristics of Fortum's employees on 31 December is presented in the tables below. Number of employees are presented as headcounts.

Number of employees by gender:

| Gender | 2025 | 2024 |
|---|---|---|
| Female | 1,703 | 1,678 |
| Male | 2,846 | 2,816 |
| Other | 1 | 1 |
| Not disclosed | 1 | 1 |
| **Total** | **4,551** | **4,496** |

Number of employees by country:

| Country | 2025 | 2024 |
|---|---|---|
| Finland | 2,274 | 2,209 |
| Sweden | 968 | 932 |
| Poland | 881 | 783 |
| Norway | 296 | 317 |
| Other | 132 | 255 |
| **Total** | **4,551** | **4,496** |

Number of employees by contract type and gender in 2025:

| Contract type | Total | Female | Male | Other [1] | Not disclosed [1] |
|---|---|---|---|---|---|
| Number of employees | 4,551 | 1,703 | 2,846 | 1 | 1 |
| Permanent | 4,360 | 1,607 | 2,751 | < 5 | < 5 |
| Temporary | 162 | 79 | 83 | < 5 | < 5 |
| Non-guaranteed hours | 29 | 17 | 12 | < 5 | < 5 |
| Full-time | 4,431 | 1,641 | 2,788 | < 5 | < 5 |
| Part-time | 120 | 62 | 58 | < 5 | < 5 |

1) Headcounts 0-4 are presented as <5 for privacy protection.

Number of employees by contract type and gender in 2024:

| Contract type | Total | Female | Male | Other [1] | Not disclosed [1] |
|---|---|---|---|---|---|
| Number of employees | 4,496 | 1,678 | 2,816 | 1 | 1 |
| Permanent | 4,316 | 1,569 | 2,745 | < 5 | < 5 |
| Temporary | 150 | 95 | 55 | < 5 | < 5 |
| Non-guaranteed hours | 30 | 14 | 16 | < 5 | < 5 |
| Full-time | 4,369 | 1,614 | 2,753 | < 5 | < 5 |
| Part-time | 127 | 64 | 63 | < 5 | < 5 |

1) Headcounts 0-4 are presented as <5 for privacy protection.

Employee turnover for the year ended 31 December:

| | 2025 | 2024 |
|---|---|---|
| Number of employees who left Fortum [1] | 427 | 428 |
| Average number of employees | 4,547 | 5,301 |
| **Employee turnover, % [2]** | **7.8** | **7.3** |

1) Includes employees who left Fortum due to voluntary resignation, dismissal, retirement or death. Excludes employees who have left with the divested businesses.
2) Average of monthly turnover (terminations / headcount * 12).

On 12 June 2025, Fortum announced the conclusion of change negotiations in its Finance and Sustainability and Corporate Relations functions. The negotiations resulted in the reduction of 62 job positions in these functions, comprising retirements, transfers to other positions at Fortum as well as lay-offs. The plans concerned approximately 640 employees in Finland, Sweden, Norway and Poland. The aim of the change negotiations and the enabling functions' reorganisation was to reflect Fortum's current business structure and operating model, improve efficiency and develop ways of working.

On 30 June 2025, Fortum completed the acquisition of the Polish electricity solutions provider Orange Energia Sp. z o.o. As a result of the acquisition, 33 employees transferred to Fortum.

In 2024, Fortum integrated 250 formerly outsourced hydropower maintenance employees in Finland and Sweden. The sale of the recycling and waste business transferred approximately 900 employees in Finland, Sweden, Denmark, and Norway, and the sale of the turbine and generation services transferred approximately 170 employees in Finland, Sweden and Germany, to the new owners of the businesses. Employees of the recycling and waste business and the turbine and generation services are included in the average number of employees up to the date of disposal.

See Note 6 Revenue and reportable segments for number of employees by country and segment.

## 3.2.2 Material impacts, risks and opportunities for own workforce

Fortum has identified the following material, positive and negative impacts related to its own workforce. The short- and medium-term potential impacts are related to health and safety, privacy, employment security and wages. For more information on the double materiality assessment process, see 1.4 Double materiality assessment.

| IRO reference | Description |
|---|---|
| **Potential positive impacts** | |
| IRO S1.1 | Fortum provides **secure employment** through permanent, full-time employment and by fostering attractive career and development opportunities for continued competence development. This increases employees' security, stability, job continuity, and peace of mind and fosters commitment to the organisation. |
| IRO S1.2 | All Fortum's employees receive **adequate wages** and Fortum is committed to ensuring gender equal and adequate pay for all employees in all operating countries. |
| **Potential positive and negative impact** | |
| IRO S1.3 | Safety is considered a material and strategic issue and Fortum strives **for excellence in safety culture across all operations. Safety incidents can have a negative impact on employee health and safety**. Based on safety incident records, negative impacts on health and safety are more likely limited to employees working at Fortum's power plants (blue-collar workers). |
| **Potential negative impact** | |
| IRO S1.4 | Fortum's **processing of personal data** may have a negative impact on employees' privacy and data protection rights for example, if data is leaked or misused by third parties or internally. Violation of privacy and data protection rights can lead to identity theft, potential financial harm, unfair conclusions based on data or increased stress. |

Safety of own employees and of value chain workers who work at Fortum's sites (contractors' employees) (IRO S2.3) is equally important to Fortum. Therefore, own employees' and contractors' safety metrics are described together in this section. The material positive impacts apply to own employees.

Privacy and data protection of employees and customers (IRO 4.1) is equally important to Fortum. Therefore, management of those impacts is described together in section 3.5 Consumers and end-users.

Fortum has not identified material impacts related to non-employees, operations at significant risk of incidents of forced or child labour in own operations, or impacts on own workforce from green transition and decarbonisation efforts.

## 3.2.3 Policies on own workforce

The key policies to address the management of material impacts related to own workforce are the Code of Conduct, the People Policy, Corporate Safety & Security Policy and the Sustainability Policy. These policies cover all workforces. Fortum's policy commitment to human rights and due diligence and to cases of non-compliance are described above in section 3.1.2 Policies on social matters and respect for human rights.

The Code of Conduct and the People Policy outline the commitment to zero tolerance for discrimination, including harassment or unfair treatment on the basis of ethnicity, religion, political opinion, gender, age, national origin, language, sexual orientation, marital status, disability, or any other factor.

The People Policy outlines Fortum's key commitments and values towards employees and thus addresses the material impacts related to employment security and wages. The People Policy states Fortum's commitment to respect employees' freedom of association and the right to collective bargaining; fair, transparent and competitive rewarding; fostering diversity; as well as fair treatment and equal opportunity in recruitment, remuneration, development and career advancement. It also outlines Fortum's ambition to create attractive career and development opportunities where employees feel empowered and engaged.

The Corporate Safety & Security Policy defines the principles and guidelines for safety and security across Fortum. It applies to all employees, partners, contractors, customers, stakeholders and external parties acting on Fortum's behalf. The policy outlines Fortum's commitment to comply with regulations, act with due diligence and proactively address safety or security risks.

The Sustainability Policy describes Fortum's commitments and ambition related to its different sustainability topics, including the health and safety of employees and contractors, as well as stakeholder engagement, including employees. The policies are accompanied by instructions, guidelines and training to guide implementation at all organisational levels, as outlined in section 3.1.2 Policies on social matters and respect for human rights. The processes to monitor the objectives of the policies are described in section 3.2.5 Taking action and tracking effectiveness of actions on own workforce.

Fortum does not have other specific policy commitments related to inclusion, but inclusion is one of Fortum's priority themes with the aim to create a workplace where everyone can feel valued and safe to be their authentic self.

## 3.2.4 Targets for own workforce

Fortum's targets related to own workforce and performance against the targets are presented in the table below.

| | Measure | Target year | Target value | 2025 | 2024 | Change compared to previous year |
|---|---|---|---|---|---|---|
| No severe injuries [1] | Number of incidents | Annual | 0 | 1 | 2 | -1 |
| Total Recordable Injury Frequency (TRIF) <1.0 [1] | TRIF | 2030 | <1.0 | 2.4 | 4.0 | -1.6 |
| Execution rate for Safety improvement plans | % | 2025 | 75 [3] | 90 | 90 | N/A |
| Improve employee engagement clearly above benchmark level [2] | Score | 2030 | 7.7 [4] | 7.7 | 7.5 | 0.2 |
| Commitment to ensure that all employees receive an adequate wage and to not have unreasoned or unexplained gender pay gaps | Proceeding as planned, Yes/No | Annual | N/A | Yes | Yes | N/A |

1) Target includes own employees and value chain workers working at Fortum's sites (contractors' employees).
2) Industry benchmark for 'Energy and Utilities' sector.
3) 2024 target 60%
4) Industry benchmark value 2025.

The targets address the material impacts and reflect the objectives of the Code of Conduct. Targets related to privacy and data protection are described in section 3.5 Consumers and end-users.

Fortum improved its occupational safety performance in 2025. The execution rate of safety improvement plans exceeded the target level and the total recordable injury frequency improved from 2024. The majority of occupational injuries occur still to contractors' employees. One injury to a contractor's employee was classified as severe.

To further foster employment security and dialogue with employees, Fortum has identified the employee experience, which is expressed by employee engagement, as one of the strategic targets at Group level. The employee engagement target is measured through an employee survey. The target value is based on the industry benchmark result and is revised on an annual basis. The employee engagement score improved during 2025, meeting the level of industry benchmark.

Targets have been set by taking into account employee feedback from the employee survey and Fortum's performance. Areas of improvement based on performance have been identified and addressed in the action plans related to the targets.

Performance against the targets is described in more detail below.

## 3.2.5 Taking action and tracking effectiveness of actions on own workforce

To manage and enhance the material impacts related to own workforce, Fortum has taken the actions described below. The overall responsibility to facilitate own workforce-related actions is with the People function. The Safety and Security function is responsible for the development of safety-related processes. Each function has a responsibility to follow the processes.

| Actions |
|---|
| **Gender equality and adequate wages:** Competitive remuneration is essential for attracting and retaining talented people. The key objective of remuneration is to encourage and recognise high performance and behaviour that is in line with Fortum's values and leadership principles, and that enables successful implementation of Fortum's strategy. |
| **Ensure fair remuneration through job classification system**: To ensure equal and fair pay, Fortum has a harmonised job classification system in all operating countries that defines the basis for setting the base salary for different roles. |
| **Conduct annual wage reviews**: Fortum conducts an annual salary benchmarking to ensure compensation remains competitive in comparison to the market. This comprehensive analysis is carried out to align pay structures with industry standards and to attract and retain talent. Fortum also conducts an annual wage review against minimum wages and wages determined in the collective bargaining agreements to monitor and track that all employees are being paid an adequate wage. All Fortum employees are paid an adequate wage in line with applicable benchmarks. |
| **Develop methodology to assess gender pay gap:** During 2025 Fortum further developed methodology to assess gender pay gap and acquired a pay equity analysis tool to be able to identify unjustified disparities in pay. |
| **Fostering engagement** |
| **Promote employee engagement**: Fortum promotes employee engagement by supporting efficient adoption of the Employee Voice feedback process across the organisation. Particular focus is on continuous development and feedback loops. A joint, organisation-wide discussion on the Employee Voice results is conducted to support shared understanding and alignment around key engagement themes. Key phases are monitoring results, understanding received feedback and experiences, and setting action plans to further improve the identified engagement drivers, such as strategy, recognition and belief, as well as supporting drivers, e.g., health, wellbeing, diversity and inclusion. The effectiveness of actions is tracked twice a year with the Employee Voice survey engagement score. See 3.2.6 Engaging with own workforce on impacts. |

| Actions |
|---|
| **Health and safety:** Safety is developed systematically in all operations. Safety of own employees and of contractors' employees is equally important, therefore, own employees' and contractors' safety management and metrics are described together. |
| **Ensure governance and compliance:** The Sustainability Policy, the Corporate Safety & Security Policy, the Minimum Requirements for EHS (environment, health and safety) Management, and more detailed EHS manuals steer safety work. Fortum regularly updates the requirements and assesses the business units' compliance with the requirements. A certified ISO 45001 occupational health and safety management system covers 100% of Fortum's production sites. Internal audits and external audits by independent auditors are regularly conducted at power plants to improve operations. |
| **Actively manage risks:** Fortum has an occupational risk management system covering all levels, from strategic risks and business planning to daily work. A risk management plan is drafted on the basis of a risk assessment. Assessments and plans are made in collaboration with those working at the sites, and they are updated at agreed intervals, as well as when conditions change. |
| **Report incidents and share learnings:** Incidents and the findings of investigations are reported in the incident management system. Learnings are shared with the organisation e.g. in the form of Care moments. |
| **Implement safety improvement plans:** Each business unit has defined relevant action plans in specified target areas: leadership, contractor management, learnings & skills, risk awareness, and resilience & compliance. The results are calculated at Group level. The overall execution rate for safety improvement plans in 2025 was 90% (2024: 90), which exceeded the set target of 75% (2024: 60). |
| **Educate personnel**: Fortum invites its employees to be actively involved in creating the joint safety culture. To achieve this, Fortum runs a safety and security programme that includes trainings, webinars and workshops for all organisational levels. In 2025, Fortum educated its employees in Safety and Security, reinforcing its commitment to a strong safety culture across all levels of the organisation, but no quantitative targets were set for the completion rate. The programme was first launched in 2022 and in 2024 the programme was targeted to management. |
| **Support and measure wellbeing:** Fortum measures its employees' perceptions on health and wellbeing as well as Fortum's efforts to support them in mental, physical and social wellbeing through an employee survey carried out twice a year. The November 2025 health and wellbeing score was 8.1 (November 2024: 7.9) exceeding the energy and utility sector peer benchmark of 7.9. |
| **Monitor contractors' safety management and performance:** Safety management and performance monitoring is part of the selection of contractors, contract requirements, induction, on-site supervision and post-evaluation of contractors. The process to report safety risks, near misses and incidents, as well as feedback on safety performance is agreed with contractors. In 2025, especially Fortum's contractor safety improved, reflected in the TRIF value. The majority of occupational injuries occur still to contractors' employees. One injury to a contractor's employee was classified as severe (2024: 2). The incident was investigated together with the contractor's management to ensure it would not reoccur. |
| **Follow-up safety key performance indicators:** The effectiveness of actions is tracked on a monthly, quarterly and annual basis through safety key performance indicators outlined in the table below. Fortum improved its occupational safety performance in 2025. The total recordable injury frequency improved from 4.0 in 2024 to 2.4 in 2025. The change is mainly explained by the divestment of the Recycling and Waste business. Achieving the ambitious safety targets, TRIF below 1.0 and zero serious injuries, requires continuous commitment to strengthening the safety culture, as well as systematic learning from incidents and near misses. |

## Health and safety metrics

Health and safety metrics related to own workforce and value chain workers (contractors' employees) working at Fortum's sites are presented in the table below:

| As indicated | 2025 | 2024 |
|---|---|---|
| **Workers covered by health & safety management system, own workforce, % [1]** | **100** | **100** |
| **Severe accidents, number [6]** | **1** | **2** |
| of which fatalities, employees [2] | 0 | 0 |
| of which fatalities, contractors [2] | 0 | 0 |
| **Total Recordable Injuries (TRI), employees and contractors, number** | **27** | **55** |
| Employees [3] | 12 | 22 |
| Contractors' employees [3] | 15 | 33 |
| **Total Recordable Injury Frequency (TRIF), injuries per million working hours, employees and contractors** | **2.4** | **4.0** |
| Employees [3] | 1.5 | 2.3 |
| Contractors' employees [3] | 4.6 | 7.7 |
| **Lost Time Injuries (LTI), number [6]** | **21** | **37** |
| Employees | 9 | 10 |
| Contractors' employees | 12 | 27 |
| **Lost Time Injury Frequency (LTIF), injuries per million working hours, employees and contractors [6]** | **1.8** | **2.7** |
| Employees | 1.1 | 1.0 |
| Contractors' employees | 3.7 | 6.3 |
| **Occupational diseases, employees, number [4]** | **0** | **0** |
| **Days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health, employees, number [5]** | **145** | **69** |

1) The percentage of people in own workforce who are covered by the health and safety management system based on legal requirements and/or recognised standards or guidelines.
2) The number of fatalities as a result of work-related injuries and work-related ill health.
3) The number and rate of recordable work-related accidents.
4) Includes cases outlined in the ILO List of Occupational Diseases, own employees.
5) The number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health, own employees.
6) Voluntarily disclosed information.

## Reporting principles for health and safety metrics

In incident reporting, Fortum follows the principles of the United States Occupational Safety and Health Administration (OSHA) and ILO's practices on recording and notification of occupational accidents and diseases.

The following definitions are used for health- and safety-related metrics:

- Fatality is a work-related accident that leads to death as a result of injuries incurred within one year from the day of the accident.
- Severe accident is an accident with severe and life-threatening injuries that potentially could lead to fatal or permanent disability.
- Total Recordable Injuries (TRI) is the sum of lost-time injuries (LTI), restricted workday cases (RWC) and medical treatment cases (MTC).
- Restricted Workday Case (RWC) is a work-related accident that has led to a situation whereby a person cannot perform his or her normal work duties during the working day or shift following the day of the accident, but he or she can be directed to other appropriate work duties.
- Medical Treatment Case (MTC) is a work-related accident that has required treatment measures by a doctor or other medical personnel but has not led to absence from normal work duties, excluding the day or shift of the accident.
- Total Recordable Injury Frequency (TRIF) is the number of total recordable injuries per million working hours.
- Lost-Time Injury (LTI) is a work-related accident that results in a person being unable to work on any day after the day of occurrence of the accident, including fatalities. Any day includes rest days, weekend days, leave days and public holidays.
- Lost-Time Injury Frequency (LTIF) is the number of accidents that result in a person being unable to work on any day after the day of occurrence of the accident, including fatalities, per million working hours.
- Occupational disease is a disease that has resulted from an exposure over a period of time to risk factors arising from work activity. Occupational diseases are listed in the ILO List of Occupational Diseases.
- Number of lost days is the sum of calendar days lost as a result of the recordable injury or illness, not including the day on which the injury or illness occurred. The counting stops after 180 days. In case of fatalities and permanent disability injuries, 180 days is automatically calculated.

## Incidents of discrimination, harassment and complaints

The incidents of discrimination including harassment, as well as the number of complaints filed during reporting period and related fines or penalties are disclosed in the table below. Number of incidents of discrimination includes confirmed cases related to own workforce that have been filed through the anonymous reporting channel SpeakUp, or to the compliance management system. Number of complaints includes all complaints filed through the reporting channel, regardless of the outcome of the case investigation. This data is reported for the first time in 2025.

| Number or as indicated | 2025 |
|---|---|
| Number of incidents of discrimination, including harassment | 0 |
| Number of complaints filed through the reporting channel (own workforce, excluding incidents of discrimination) | 20 |
| Total amount of fines, penalties and compensation resulting from incidents and complaints, EUR | 0 |

### 3.2.6 Engaging with own workforce on impacts

Fortum has several ways to engage and hear employee feedback on impacts. The overall responsibility to facilitate engagement-related supportive processes with own workforce is with the People function. Engagement is managed through business and corporate function management teams, supported by the People function.

Fortum uses a real-time and flexible feedback tool, Employee Voice, to engage with employees on impacts and opportunities related to them. The survey is conducted at Group level twice a year and addresses topics such as engagement and employee satisfaction, health and wellbeing, strategy, rewarding, diversity, equity and inclusion, as well as transformation and change. The survey also gathers employees' perceptions related to discrimination and inclusiveness, regardless of background, with the aim of assessing experiences of employees that may be particularly vulnerable. The survey allows managers and employees to see the anonymous results, and the results are communicated to employees at company and team level. Actions to be taken based on employee feedback are agreed and followed up together in the teams. Each manager is accountable for driving the actions in their own team. The results of the survey are monitored at the team, function, and company level to monitor the effectiveness of actions taken and to identify needs for support.

Fortum also engages with employees through the Fortum European Council (FEC). Fortum does not have a global framework agreement, but the FEC constitutes Fortum's Europe-level cooperation function in which personnel and the FLT representatives meet. The goals of the FEC are to develop a dialogue between the Group management and employee representatives on company strategy and the status of various activities, enhance information exchange within the Group, improve corporate activities and decision-making, as well as increase the understanding of different cultures, work policies, and the importance of personnel motivation and wellbeing. The FEC meets twice a year.

Safety-related matters are discussed regularly with employees and value chain workers working at Fortum's sites. To engage with employees on health- and safety-related issues and to develop the safety culture further, Fortum has occupational safety committees or similar bodies in place, representing all personnel groups. They regularly address issues related to occupational safety and workplace wellbeing. As part of the Safety and Security Leadership Programme, Fortum engages employees through trainings, webinars and workshops at all organisation levels. Safety is discussed with contractors and their employees regularly through safety walks and meetings. Safety-related engagement is managed by the Safety and Security function.

In addition, Fortum has several other ways to engage with its employees and other stakeholders. See section 1.3.2 Interests and views of stakeholders.

### 3.2.7 Remediating negative impacts on own workforce and grievance mechanisms

If human rights violations are discovered in Fortum's operations, an investigation is initiated together with the relevant business or function to understand the root causes and to prevent similar violations from occurring. Corrective action is taken to prevent any broader impact and, if possible, to remediate any damage.

Fortum provides an internal and external reporting channel for the reporting of any suspected misconduct relating to labour conditions or human rights violations. Employees are encouraged to report any misconduct to their manager or through the reporting channel. The process for handling reports and the protection of whistleblowers is described in section 4.4 Reporting misconduct and protection of whistleblowers.

## 3.3 Workers in the value chain

### 3.3.1 Introduction to workers in the value chain

Workers in the value chain include employees of suppliers of goods and services, excluding energy purchased for retail, as well as value chain workers that work at Fortum's sites (contractors' employees). Fortum's supply chain is global. Potential suppliers are screened for sustainability risks and management practices, and they are expected to follow the Supplier Code of Conduct, committing them to respecting human and labour rights. For Fortum, the safety of contractors' employees is a key priority.

### 3.3.2 Material impacts, risks and opportunities for workers in the value chain

Fortum has identified the following material negative impacts in its upstream value chain. The short-term potential impacts are related to working conditions at suppliers' manufacturing sites, human rights, and the health and safety of contractors' employees working at Fortum's sites. Fortum has not identified material impacts on downstream value chain workers. For more information on the double materiality assessment process and a basis of understanding of the value chain impacts, see 1.4 Double materiality assessment.

| IRO reference | Description |
|---|---|
| **Potential negative impacts** | |
| IRO S2.1 | **Excessive working hours, inadequate wages, insufficient health and safety practices, gender inequality and limited right to collective bargaining in supply chains** violate value chain workers' rights at work and have a negative impact on their quality of life, health and wellbeing. Fortum may be linked to these impacts through its supply chains. The probability of the negative impact varies between product categories and manufacturing countries. The potential impacts are most relevant to upstream value chain workers working in the manufacturing of equipment, materials and chemicals globally, and particularly in high-risk countries. Inadequate terms of employment may also apply to sub-contractors' employees working at Fortum's sites. Hindering of the right to bargain collectively and excessive working hours are widespread and structural issues in some high-risk countries. Fortum has limited visibility to vulnerable groups, such as migrant workers in the supply chain. |
| IRO S2.2 | **Use of forced, involuntary, or child labour violates human rights and children's rights.** A potential risk of forced labour has been identified especially in solar components manufacturing. Use of child labour is possible in supply chains in high-risk countries; therefore, Fortum may be linked to it through its supply chains. |
| IRO S2.3 | **Safety incidents have a negative impact on the health and safety** of contractors' employees who work at Fortum's sites. |

The management of material impacts is described in the following sections. Fortum considers the safety of contractors' workers equally important as the safety of its own employees and thus management of health and safety of contractors' workers working at Fortum's sites is disclosed in 3.2 Own workforce, sections 3.2.4 – 3.2.6.

### 3.3.3 Policies on workers in the value chain

The key policies to address the management of material impacts related to workers in the value chain are the Code of Conduct, the Supplier Code of Conduct and the Sustainability Policy. The policies cover suppliers and their workers, as well as sub-contractors and sub-suppliers. Fortum's policy commitment to human rights and due diligence, and cases of non-compliance are described in section 3.1.2 Policies on social matters and respect for human rights. The policies are available on Fortum's website.

The Supplier Code of Conduct outlines the requirements for Fortum's suppliers. The Supplier Code of Conduct is based on the ten principles of the UN Global Compact, aligned with the UN Guiding Principles of Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and it addresses the ILO fundamental rights at work, as well as internationally proclaimed human rights that are expressed in, e.g., the International Bill of Human Rights. The Supplier Code of Conduct addresses the material impacts related to value chain workers, including working hours, adequate wages, health and safety, non-discrimination, freedom of association and collective bargaining. The Supplier Code of Conduct specifically addresses the prohibition of any form of forced labour and child labour. The policy does not specifically address human trafficking. These policies are accompanied by instructions, manuals and training to support implementation, as outlined in section 3.1.2 Policies on social matters and respect for human rights. The Supplier Code of Conduct, procurement process and audit findings are described in section 4.5 Management of relationships with suppliers.

### 3.3.4 Targets for workers in the value chain

Fortum's targets related to workers in the value chain and performance against the targets are presented in the table below.

| | Measure | Target year | Target value | 2025 | 2024 | Change compared to previous year |
|---|---|---|---|---|---|---|
| Supplier qualification rate [1)] | % | Annual | 85 | 88 | 81 | 7 |
| Enhance supply chain due diligence by developing supplier evaluation and supply chain data management | Proceeding as planned, Yes/No | 2026 | N/A | Yes | Yes | N/A |

1) Spend from qualified suppliers divided by total procurement spend in the scope of the qualification process (scope excludes e.g. spend from public authorities, donations, memberships and university collaborations).

Supplier qualification is a systematic process for evaluating suppliers' sustainability practices and monitoring that the minimum internal and external requirements are met when selecting suppliers, as well as to meet the objectives of the Supplier Code of Conduct. Supplier qualification reflects the content of the Supplier Code of Conduct and addresses the material impacts. Rigorous implementation of the qualification process ensures identification of potential risk suppliers and ensures the application of further mitigation measures for high-risk suppliers. The qualification process is mandatory when the contract value is EUR 100,000 or more, representing the most significant purchases and business partners.

In 2024, Fortum set a target to enhance our supply chain due diligence to address the impacts on value chain workers and to strengthen the implementation of the Supplier Code of Conduct. The target is overarching and consist of several actions to enhance Fortum's supply chain due diligence. The progress is measured against an annual action plan which in 2025 included developing sustainability in category management, as well as evaluating options for supply chain data management. Actions and performance against the targets are described in more detail in the section below.

Targets have been set by taking into consideration stakeholder views in the double materiality assessment. Value chain workers' views are consolidated through audit reports and external reports of NGOs, e.g., areas of improvement based on performance have been identified and addressed in the action plans related to the targets.

### 3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain

Fortum's approach to managing impacts related to value chain workers and to the fulfilment of fundamental human and labour rights is based on thorough risk and impact assessments included in various processes. Fortum assesses, among other things, the country-related human rights risks and pays particular attention to supplier evaluation prior to supplier selection. Fortum manages material impacts in supply chains through its procurement process described in section 4.5 Management of relationships with suppliers.

To mitigate material impacts on value chain workers, Fortum has identified several actions, outlined in the table below, to further enhance its practices of supply chain sustainability management. The Procurement function is responsible for procurement and supply chain sustainability management-related processes, with support from the Corporate Sustainability function.

| Actions |
|---|
| **Develop supply chain evaluation and data management system:** Fortum will further develop supply chain evaluation and data management systems by the end of 2026. This will enable Fortum to gain better visibility and control over the supplier base, collaboration and dialogue with suppliers, as well as support continuous improvement of sustainability performance. The target to enhance supply chain due diligence is proceeding according to plan. In 2025 Fortum made a gap analysis of further development needs for supply chain due diligence, a roadmap for their implementation and continued evaluating the data management options. This work was based on the work done in 2024, to assess development needs related to supply chain data and to map potential solutions for data management. |
| **Develop sustainability criteria:** Fortum will also further develop sustainability criteria to address the relevant sustainability impacts or risks in different procurement categories. In 2025 Fortum conducted sustainability risk assessments for all 20 procurement categories and developed tools and templates to support sustainability in category management. Fortum also further analysed mitigation opportunities to address sustainability risks of key metals and minerals used in Fortum's supply chains and made a phased-in implementation plan. This work is a continuation from 2024 when Fortum conducted an assessment of the sustainability risks of 14 metals and minerals as well their relevance to different business areas. Metals and minerals generally involve significant sustainability risks in their supply chain. Fortum continues to work on how to address those in procurement processes. |
| **Implement and monitor supplier qualification:** The supplier qualification rate exceeded the target level during the reporting period due to consistent implementation of the qualification process, focusing on re-qualifications and monitoring of key performance indicators. Fortum will continue implementation of the supplier qualification process and monitor it through regular key performance indicators. |

### 3.3.6 Engaging with value chain workers on impacts

Fortum assesses the impacts on value chain workers through external sources, such as NGO studies or research reports, audit reports and stakeholder surveys. Reports to the anonymous reporting channel are also taken into account. Direct engagement with value chain workers is through supplier audits. When seeking to understand value chain workers' perspectives through external studies and reports, the engagement is with their credible proxies having insight into their situation. Operational responsibility for supplier audits and being aware of other sources that provide relevant information on working conditions in the relevant supply chains is with the Corporate Sustainability function.

Fortum conducts sustainability audits at suppliers' facilities. In the audits, a sample of employees is interviewed by an independent, third-party auditor, and their views are consolidated in an audit report submitted to Fortum. The working conditions of vulnerable groups, such as migrant workers, dispatched employees and female employees is part of audit procedures. Audit procedures are described in more detail in section 4.5 Management of relationships with suppliers.

### 3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms

If any violations related to human rights are discovered in Fortum's product or service supply chains, the case is investigated together with the relevant supplier. Corrective measures are agreed in collaboration with the supplier, and implementation and effectiveness of the agreed measures is monitored, e.g., through audits. When non-compliances are found through a sustainability audit, the supplier makes a corrective action plan, and its implementation and effectiveness is monitored on a case-by-case basis.

Fortum has internal and external reporting channels for the reporting of any suspected misconduct relating to labour conditions or human rights violations. The channels are described in the Code of Conduct and the Supplier Code of Conduct and are accessible on Fortum's internal and external websites. Fortum's suppliers are expected to report any suspected violation of the Supplier Code to their Fortum contact person via the local reporting channel, if available, or the SpeakUp channel. Fortum does not have a system in place to track if the channel is made available to value chain workers and if they trust using them. The process of handling reports and the protection of whistleblowers is described in section 4.4 Reporting misconduct and protection of whistleblowers.

## 3.4 Affected communities

### 3.4.1 Introduction to affected communities

Affected communities include communities living or working around Fortum's sites in Fortum's operating countries, including sites that Fortum has operations through joint ventures or associated companies. Fortum aims for meaningful engagement with local stakeholders and inhabitants to understand their concerns and to address impacts, if possible.

### 3.4.2 Material impacts, risks and opportunities for affected communities

Fortum has identified the following material positive and negative impacts related to affected communities. The potential material negative impact relates to project development and a minority-owned joint venture company (Fortum's value chain actor) that owns wind farms impacting areas of indigenous peoples in Sweden and Norway. Fortum does not have control over the company's activities. The positive impact applies both to the communities and inhabitants located and living around Fortum's plants. The impacts may also affect inhabitants in the wider area, e.g., the areas of commuting or animal grazing. Medium-term impacts are related to existing sites, as well as to sites under development. For more information on the double materiality assessment process, see 1.4 Double materiality assessment.

| IRO reference | Description |
|---|---|
| **Actual positive impact** | |
| IRO S3.1 | Fortum has positive socio-economic impacts on local communities around its sites through the provision of **employment and indirect employment opportunities** through purchases of products and services. In addition, land leasing and taxes provide income for local communities. Socio-economic impacts can apply to a wider area, e.g., the area of commuting to work. |
| **Potential negative impact** | |
| IRO S3.2 | Fortum has **potential impacts on traditional land use modes, customary practices, and modes of livelihood,** e.g. traditionally practised reindeer herding **of indigenous peoples** through activities in Fortum's value chain, such as minority-owned wind power plants, and through Fortum's development of possible new power plants. The impact is linked to Fortum's strategy to decarbonise industries and society. |

### 3.4.3 Policies on affected communities

The key policy to address the management of material impacts related to affected communities is the Sustainability Policy. In the Sustainability Policy, Fortum commits to acting with due diligence and aims to prevent, mitigate, and remediate any actual and potential impacts related to material sustainability topics; as well as to transparent communication, active dialogue and collaboration with local communities including indigenous communities. Fortum also aims to make the journey towards its target to net-zero in a just manner, seeking to understand - and taking into account - the impacts on local communities, among others.

The Code of Conduct acknowledges that Fortum's operations may have direct or indirect human rights impacts on local communities, among others. Therefore, Fortum takes measures to act in accordance with the UN Guiding Principles on Business and Human Rights. The policy commitment to human rights due diligence and cases of non-compliance are described in section 3.1.2 Policies on social matters and respect for human rights.

Fortum's policies cover all operations, including those related to the material impacts on affected communities.

### 3.4.4 Targets for affected communities

Fortum aims for meaningful engagement with local communities to ensure an understanding of impacts on local inhabitants and to be able to take the impacts into account and to mitigate them in operations, where possible. Fortum currently has not set any time-bound targets related to affected communities as it does not have control over the activities of the joint venture company related to the material negative impacts. Fortum, however, measures the effectiveness of actions and engagement, as described in the following sections.

### 3.4.5 Taking action and tracking effectiveness of actions on affected communities

Actions to mitigate potential negative impacts and to promote positive impacts on affected communities are described in the table below. An understanding of appropriate measures is sought through engagement with the local community. Fortum has allocated resources for managing the impacts and actions in asset management, stakeholder engagement and in site development functions of businesses. The Sustainability function manages the Corporate Social Responsibility programme. The effectiveness of actions is measured by direct feedback from local stakeholders as part of stakeholder engagement, community events and through a feedback form provided to local stakeholders. Feedback received varies from positive feedback related to benefits to the community to concerns, e.g., about noise or changes in the landscape.

| Actions |
|---|
| **Mitigate adverse impacts during project development:** Fortum takes action to prevent and mitigate adverse impacts on affected communities during new site development. In the early phases of site planning, Fortum uses a screening tool to identify whether the land is located in a reindeer herding area or has religious or other specific importance to indigenous peoples, and adjusts plans accordingly, where possible. Requirements set by authorities during the permit process are followed. |
| **Educating employees**: In 2025 Fortum organised training for project developers in Sweden to enhance their competence and understanding of the specific rights of indigenous peoples and how to engage in a meaningful dialogue. |
| **Mitigate adverse impact during plant operations:** Where possible, site operations are scheduled so that the impact on local residents and, e.g., on reindeer herding is minimised. |
| **Support local communities through land lease and taxes:** Land lease and taxes create income for local communities and municipalities. Land is leased for wind and solar power production from several local landowners. The lease period typically covers the full technical lifetime of the power plant and can be longer to anticipate a possible lifetime extension, giving local residents a stable income for years. |
| **Support economy through contractor network:** Fortum's plants provide employment opportunities directly and indirectly through the use of a wide contractor network. |
| **Promote positive socio-economic impact through a community contribution fund:** To promote positive socio-economic impacts, most wind power plants have a local community contribution fund in place. These funds aim to share the benefits with local communities. |
| **Promote positive impacts through the Corporate Social Responsibility (CSR) programme:** Fortum collaborates with communities and organisations at global, national and local levels through the CSR programme. Fortum follows the impacts of the CSR collaboration on an annual basis. In 2025, e.g., Fortum involved over 3,500 youths and leaders from local sports clubs in river clean-up events along the rivers with Fortum's hydropower plants. The initiative provides young people an opportunity to positively contribute to a cleaner environment while raising money for their sports club. Fortum also supports other initiatives for children's wellbeing, as well as nature and local sports and cultural events, among other things. |

### 3.4.6 Engaging with affected communities on impacts

Part of the formal permit process in new site development involves stakeholder consultation in which Fortum systematically gathers stakeholders' views through public meetings and written feedback. The feedback is taken into consideration in planning. In addition to the formal consultation, Fortum actively seeks to enter into direct dialogue with relevant stakeholder groups, such as municipalities, residents, local associations, indigenous communities and non-governmental organisations.

Through engagement, Fortum seeks to provide transparent, timely information and to gain an understanding of local communities' and residents' perceptions of the activities, and the actual or potential impacts on them. Stakeholders may directly reach out to Fortum's representatives. In cases of potential impacts on indigenous peoples, Fortum seeks to ensure the indigenous community's right to free, prior, and informed consent with regard to their culture, traditions and land use by timely and direct engagement with the community. Fortum seeks to agree on mitigation measures and compensation directly with the local community. Operational responsibility for engagement is with the relevant business.

Other means of stakeholder engagement are described in section 1.3.2 Interests and views of stakeholders.

### 3.4.7 Remediating negative impacts on affected communities

The remediation of potential negative impacts has been agreed with indigenous communities impacted by the joint venture wind farms. The effectiveness of actions is measured by feedback received from the locals.

Fortum has an internal and external reporting channel for the reporting of any suspected misconduct, or to raise concerns. The channel is available to local communities via Fortum's website. Fortum has no system in place to monitor if communities trust the channel. The process of handling reports and the protection of whistleblowers is described in section 4.4 Reporting misconduct and protection of whistleblowers.

## 3.5 Consumers and end-users

### 3.5.1 Introduction to privacy of consumers and own workforce

Privacy has been identified as a new material topic in 2025. Fortum sells electricity, heating and cooling to customers and households in its operating countries mainly in the Nordic countries and Poland. Altogether Fortum has approximately two million consumer customers, whose personal data is processed when offering them services. Privacy related impacts also apply to Fortum's employees. Fortum processes personal data of customers and employees in a manner which ensures information security. Personal data is always bound to confidentiality, and access is limited only to authorised persons within Fortum and its partners.

### 3.5.2 Material impacts, risks and opportunities related to privacy of consumers and own workforce

Fortum has identified the following material negative impact related to consumers and end-users. Fortum considers the privacy and data protection of employees and customers equally important. Therefore, management of those impacts are described together in this section (IRO S1.4 and S4.1). For more information on the double materiality assessment process, see 1.4 Double materiality assessment.

| IRO reference | Description |
|---|---|
| **Potential negative impact** | |
| IRO S4.1 | **Processing of personal data may have a negative impact on employees' or customers' privacy and data protection rights,** for example, if data is leaked or misused by third parties or internally. Violation of privacy and data protection rights can lead to identity theft, potential financial harm, unfair conclusions based on data, or increased stress. |

### 3.5.3 Policies on privacy of consumers and own workforce

The key policies to address the management of material impacts related to privacy and data protection of own workforce and consumers are the Code of Conduct, the Group Privacy Policy and the Supplier Code of Conduct.

The Code of Conduct outlines the commitment to collect and process data responsibly, lawfully and for legitimate business purposes only. The Supplier Code of Conduct outlines the requirements for Fortum's suppliers to handle personal and other data appropriately.

Fortum has a Board approved Group Privacy Policy that ensures compliance with relevant privacy and data protection laws. The Privacy Policy is followed by all business units and enabling functions, as well as Fortum's suppliers and external persons working for Fortum. The Privacy Policy sets out a privacy governance model for Fortum and requires that personal data is processed in a fair, transparent and secure manner respecting the data subjects' rights, and that privacy is embedded into Fortum's business operations. The policy was last updated in 2025 and is available on Fortum's website.

The policies are accompanied by instructions, manuals and training to support implementation. The policies cover all Fortum's operations, including those related to the material impacts on privacy.

### 3.5.4 Targets for privacy of consumers and own workforce

In 2025, Fortum introduced new targets to enhance privacy and protection of personal data of both own workforce and consumers. Targets related to privacy and performance against the targets are presented in the table below. The targets address the material impacts and reflect the objectives of the Code of Conduct and the Group Privacy Policy.

| | Measure | Target year | Target value | 2025 | 2024 | Change compared to previous year |
|---|---|---|---|---|---|---|
| Enhance robust privacy and data protection processes for customers and employees | Proceeding as planned, Yes/No | Annual | N/A | Yes | N/A | N/A |
| Privacy training completion rate | % | N/A | 100 | 98 | 86 | 12 |

The target to enhance privacy and data protection processes is overarching and consists of several actions to strengthen comprehensive privacy and data protection across the entire organisation. The progress is measured against an annual action plan that addresses the identified development areas. In 2025 the action plan included, e.g., improving privacy reporting to management, updating privacy e-learning and developing a new data subject request portal which will be published in early 2026. The target proceeded as planned with some actions continuing to the next year.

Fortum also aims to train all employees on privacy requirements. The training completion rate increased significantly during 2025. Privacy training is mandatory for all employees, but completion of the training may be missing from, for example, new hires or employees on extended leave. Currently, the mandatory e-learning is required to be completed once for every employee, but a mandatory renewal is being planned.

### 3.5.5 Taking action on privacy of consumers and own workforce

Actions to mitigate potential negative impacts on consumers and own workforce are described in the table below.

| Actions |
|---|
| **Educate employees**: Fortum provides mandatory privacy and data protection training for all employees. The training was updated in 2025, and the updated training will be published in early 2026. In addition, there is a training programme for privacy coordinators and targeted training sessions arranged regularly based on need. |
| **Appoint responsible persons for privacy**: Business units and enabling functions nominate privacy owners and privacy coordinators to ensure that privacy requirements are implemented as advised by the Group Privacy Office. Tasks include, for example, maintaining necessary documentation and supporting the implementation of Group guidelines. The nominations are reviewed annually to ensure continuous coverage. |
| **Set an annual plan for continuous development**: To support ongoing improvement, Fortum establishes an annual action plan for privacy initiatives that address identified risks and gaps. For example, in 2025, Fortum increased awareness of privacy risks among top management in business units by incorporating regular, standardised reporting to business leadership and developed a new portal for managing data subject requests. |
| **Manage privacy compliance among subcontractors**: Fortum ensures its subcontractors' privacy compliance by data processing agreements and by training or guidance. |
| **Investigate deviations**: Fortum investigates any deviations to privacy compliance and ensures that recognised risks and issues are treated with necessary actions. Fortum cooperates with the supervisory authorities when requested and improves its privacy practices continuously based on stakeholder feedback and internal findings. Fortum seeks to remediate any harms caused by Fortum's personal data processing to the data subjects in a proactive manner. |

# 4 Business conduct



## 4.1 Introduction to business conduct

Fortum promotes a transparent and compliant corporate culture through its values, the Code of Conduct and the implementation of these through, e.g., communication and training. This section outlines practices to address compliance management, whistleblower protection and supplier relationship management.

## 4.2 Material impacts, risks and opportunities for business conduct

Fortum considers ethical business conduct and corporate culture essential for successful business. Although business conduct-related impacts, risks and opportunities did not exceed the defined materiality threshold in the double materiality assessment, the following three impacts are considered to be material by management decision. For more information on the double materiality assessment process, see 1.4 Double materiality assessment.

| IRO reference | Description |
|---|---|
| **Potential positive and negative impact** | |
| IRO G1.1 | Material by management decision. Fortum considers e**ffective compliance management, ethical business conduct, as well as the prevention and detection of corruption and bribery to be a** basis of ethical corporate culture. |
| IRO G1.2 | Material by management decision. Fortum encourages employees and other stakeholders to **raise concerns and report any misconduct** when necessary and considers the **protection of whistleblowers** critical to build trust in the channels. |
| IRO G1.3 | Material by management decision. **Managing relationships with suppliers,** as it is essential for the effective management of sustainability and compliance related impacts and risks. |

The management of material topics is outlined in the following sections.

## 4.3 Policies on business conduct and corporate culture

Key policies and instructions on business conduct matters are presented in the table below. Policies and instructions marked with 'OO' relate to own operations. Those marked with 'VC' aim to address impacts, risks and opportunities within the value chain, although not all of them are directly binding on Fortum's value chain actors.

| Document name | Business conduct | Management of relationships with suppliers | Anti-corruption and bribery |
|---|---|---|---|
| **Key policies, instructions and manuals** | | | |
| Code of Conduct (OO, VC) | ● | ● | ● |
| Supplier Code of Conduct (VC) | ● | ● | ● |
| Sustainability Policy (OO, VC) | ● | ● | ● |
| Group Instruction on Fortum Speak-Up procedures (Speak-Up Policy, OO, VC) | ● | | ● |
| Business Ethics Instructions (OO, VC) | ● | ● | ● |
| **Other related policies, instructions and manuals** | | | |
| Group Risk Policy (OO, VC) | ● | ● | ● |
| Disclosure Policy (OO) | ● | | |
| Group Counterparty Risk Instruction (OO, VC) | ● | ● | ● |
| Sustainability Governance Model (OO) | ● | | |
| Procurement Group Instructions and Governance Model (OO, VC) | | ● | |
| Investment Manual (OO, VC) | ● | ● | ● |
| Group Instructions for Corporate Social Responsibility (CSR) Programme Governance Model (OO) | ● | | ● |
| Business Ethics Guidelines for Lobbying (OO) | ● | | ● |
| Tax Principles (OO) | ● | | |
| Accounting Manual (OO) | ● | | |
| Fortum Insider Rules (OO) | ● | | |

The key policies to address and express Fortum's commitment to ethical business conduct, zero tolerance of corruption and bribery, compliance with international sanctions, and management of supplier relationships are the Code of Conduct, the Supplier Code of Conduct, the Business Ethics Instructions, the Sustainability Policy, and the SpeakUp Policy. The Code of Conduct and the SpeakUp Policy outline the process for reporting misconduct and for protecting whistleblowers. The policies are approved by the Board of Directors and apply to all employees, businesses and corporate functions in all operating countries, as well as to Fortum's business partners. Fortum's commitment to anti-corruption and anti-bribery is consistent with the United Nations Convention against Corruption.

The Code of Conduct, the Supplier Code of Conduct and the Business Ethics Instructions are available in several languages and accessible to every employee and contractor internally. The Code of Conduct and the Supplier Code of Conduct are publicly available on Fortum's website.

Policies are accompanied by instructions to guide implementation, including mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or behaviour contradicting the Code of Conduct.

Fortum has procedures for investigating business conduct incidents, including incidents of corruption and bribery, in a professional manner. All employees are expected to complete the relevant mandatory training modules related to business conduct as part of induction, and whenever relevant. Business ethics and corporate culture are also promoted through communication.

## 4.4 Reporting misconduct and protection of whistleblowers

Fortum provides a channel for reporting suspected misconduct. The anonymous SpeakUp channel is available in several languages for all employees and external stakeholders, including workers in the value chain and affected communities.

Internal and external stakeholders are provided with information on reporting concerns, as well as the process for handling and investigating reported concerns transparently in order to build trust in the channel. Fortum raises awareness of the channel through internal communications and mandatory Code of Conduct training and encourages the reporting of all potential non-compliance cases. Fortum conducts anonymous compliance surveys to employees to track the compliance awareness including knowledge of and trust in the reporting channels.

Fortum handles all reports with the highest integrity in accordance with EU's Whistleblowing Directive and national legislation. Persons receiving the reports follow the written instructions concerning personal data processing and confidentiality. The Group Compliance Officer assesses the cases and assigns an investigation team. For cases requiring further investigation after the initial assessment, the Compliance & Ethics team prepares an investigation report, including findings, recommendations, and possible corrective actions. If the concern is justified, appropriate measures are taken, which take into account findings from the investigation. Fortum aims for a dialogue with the whistleblower when seeking to solve the case, and the channel supports the dialogue. The identity of the whistleblower is always protected. Fortum does not tolerate any form of retaliation towards anyone bringing misconduct or possible misconduct to light.

## 4.5 Management of relationships with suppliers

Fortum is a significant purchaser of goods and services, including goods and services related to operation and maintenance of plants and facilities, fuels, as well as IT solutions and professional services. Procurement's objective is to enable strong business performance and sustainable purchasing processes and to secure the availability of the right materials and services considering the needs and requirements of the businesses. Fortum aims for open and effective collaboration with suppliers, management of social and environmental sustainability, and ensuring ethical business behaviour in the supply chain. Effective management of the supplier relationship is the key action to address the material impacts on value chain workers. See section 3.3.2 Material impacts, risks and opportunities for workers in the value chain.

To ensure equal treatment of suppliers, special attention is paid to the training of procurement personnel. In 2025, trainings for procurement personnel on the supply chain sustainability management process and tools continued. In order to motivate and track the effectiveness of the processes, procurement employees have annual targets related to supplier management practices, such as conducting supplier sustainability assessments and creating fair competition.

### 4.5.1 Processes to manage sustainability in the supply chain

Fortum has the following ongoing processes and actions to manage sustainability in the supply chain:

| Actions |
|---|
| **Ensure governance:** The Supplier Code of Conduct outlines the requirements for suppliers and business partners. The Supplier Code of Conduct is included in purchase agreements with a contract value of EUR 100,000 or more. Fortum reserves the right to monitor whether its suppliers observe the Supplier Code of Conduct by requesting information and conducting on-site audits. Suppliers who fail to observe the Supplier Code of Conduct are expected to take immediate corrective action, and Fortum reserves the right to terminate the relationship with a supplier that cannot demonstrate compliance with the Supplier Code of Conduct. |
| **Evaluate suppliers' social, environmental and governance practices:** Supplier qualification is Fortum's process for evaluating suppliers' sustainability practices and monitoring that the minimum internal and external requirements are met when selecting suppliers. The qualification process is mandatory when the contract value is EUR 100,000 or more. In the qualification process, Fortum determines and assesses, among other things, the supplier's possible operations in risk countries, certified management systems and the occupational safety performance of the contractors. Fortum also pays special attention to practices related to anti-corruption, human and labour rights and environment, especially related to GHG emissions, environmental management, licences and certificates. Once completed, the qualification is valid for three years. |
| **Manage compliance risks with suppliers:** Fortum has a 'Know Your Counterparty' (KYC) process to assess compliance risks, including legal, reputational, ethical, sustainability and security risks, related to existing and potential suppliers and other counterparties. The KYC process is mandatory when the contract value is EUR 100,000 or more. |
| **Audit suppliers with potential sustainability risks:** Fortum assesses the supplier's compliance with the requirements in the Supplier Code of Conduct by conducting audits. The risk-based audits are conducted on-site, and include site inspections, management and employee interviews, and reviews of documents. Fortum uses an external service provider to conduct the audits, especially in risk countries. In low-risk countries, the audits can be conducted by Fortum's own personnel who have received training in auditing. In 2025 Fortum conducted 17 supplier audits (2024: 23), of which five (2024: 8) were conducted by external auditors in China and the rest by internal auditors in EU countries. The reduction in the number of audits from the previous year was due to suppliers increasingly having other acceptable third-party certificates or audits as proof of compliance. |
| **Monitor corrective actions:** If non-compliances are found in an audit, the supplier makes a plan for corrective actions and Fortum monitors implementation. In cases of severe non-compliance, the cooperation can be continued only if the corrective actions are implemented and verified. In 2025, the majority of non-compliances identified in the audits were related to overtime hours and occupational safety. The findings were communicated to suppliers with a request to make a corrective action plan to address them. No severe non-compliances related to freedom of association and employee collective bargaining rights, child labour, forced labour or discrimination were identified. |
| **Monitor fuel supply chain sustainability:** In addition to the normal supply chain sustainability management processes, Fortum has a due diligence process to assess the origin and sustainability certification of forest-based biomass. Uranium suppliers are audited for sustainability to verify appropriate environmental, social and human rights management practices at production. |
| **Increase leverage in collaboration with peers:** To increase leverage in addressing supply chain sustainability risks, Fortum participates in the Solar Stewardship Initiative (SSI), aiming to improve the transparency and sustainability of supply chains in the solar industry. The SSI consists of an assurance process to verify environmental, social and human rights management practices in solar supply chains and on manufacturing sites. |

### 4.5.2 Handling of Supplier Code of Conduct breaches

Fortum has a procedure for handling suspected breaches of the Supplier Code of Conduct. When information is received about a suspected breach of the Supplier Code of Conduct, e.g., through screening tools, the SpeakUp channel, media, or other channels, representatives from Procurement, Legal, Sustainability, and the respective business assess the seriousness of the breach, Fortum's contractual position, and the impacts on Fortum's business and reputation. The supplier is asked to provide further information about the possible breach; based on the response, a further investigation or corrective actions are agreed. As a final option, the supplier contract may be terminated.

## 4.6 Prevention and detection of corruption and bribery

All employees, members of Fortum's corporate bodies, suppliers, and supporting contractors are expected to comply with all relevant laws and regulations to prevent corruption and bribery. The Compliance & Ethics function is a dedicated unit responsible for investigating cases of bribery and corruption, and responding to allegations. Fortum takes the following actions to prevent and detect corruption and bribery.

| Actions |
|---|
| **Assess compliance risks related to counterparties:** Fortum has implemented a 'Know Your Counterparty' process to assess corruption and bribery risks, reputational impact, social and environmental risks, and other compliance risks when collaborating with counterparties. A similar 'Know Your Partner' process assesses these risks when working with strategic partners. |
| **Regularly assess compliance enterprise risks and investigate suspected misconduct:** Fortum assesses compliance enterprise risks, including the likelihood and impact of violating anti-corruption and anti-bribery laws. The investigation process ensures a fair and objective approach. Internal policies require that members of investigating committees are free from conflicts of interest. These committees are always separate from the management chain involved in the matter. In every investigation, the Group Compliance Officer, after consulting the General Counsel, considers whether there is a need to report the misconduct to the police or other authorities, taking into consideration local legal requirements. Fortum proactively cooperates with police authorities and provides support when requested. |
| **Educate employees:** Training on business conduct is provided to all employees, see 4.6.3 Training on business conduct and anti-corruption and anti-bribery. If behaviour indicative of corruption is identified within an organisational unit, dedicated training is provided to the unit's decision-makers after the investigation has been completed. Decision-makers include members of the administrative, management and supervisory bodies. |
| **Monitor and report misconduct:** Suspected misconduct and measures related to ethical business practices and regulatory compliance are regularly monitored and assessed by the Audit and Risk Committee. |

### 4.6.1 Targets for corruption and bribery

Fortum's target related to business conduct and performance against the target is presented in the table below.

| | Measure | Target year | Target value | 2025 | 2024 |
|---|---|---|---|---|---|
| No incidents of corruption and bribery | Number of incidents | Annual | 0 | 0 | 0 |

In 2025 and 2024 there were no confirmed incidents of corruption or bribery.

### 4.6.2 Metrics for corruption and bribery

Confirmed incidents of corruption and bribery are presented in the table below:

| Number or as indicated | 2025 | 2024 |
|---|---|---|
| Convictions for violation of anti-corruption and anti-bribery laws | 0 | 0 |
| Amount of fines for violation of anti-corruption and anti-bribery laws, EUR | 0 | 0 |
| Total number of confirmed incidents | 0 | 0 |
| Confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents | 0 | 0 |
| Confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery | 0 | 0 |

### 4.6.3 Training on business conduct and anti-corruption and anti-bribery

Training is a fundamental part of compliance management. Training on business conduct, anti-corruption and anti-bribery is provided to all employees as part of the mandatory Code of Conduct training, including to employees who are in administrative, management or supervisory bodies of Fortum companies.

Fortum has identified the functions that have a higher risk of corruption and bribery due to the nature of their role. Fortum is further developing its training programme to systematically address all relevant functions at risk and to monitor the completion of training. In addition, relevant individuals receive dedicated training based on a need or identified risks.

The completion rate of the Code of Conduct training is presented in the table below. The completion rate includes employees of at-risk functions. The training is mandatory for all employees, but the completion may be missing from, for example, new hires or employees on extended leave.

| % | 2025 | 2024 |
|---|---|---|
| Code of Conduct training completion | 98 | 97 |

# 5 Content indices



## 5.1 Material disclosure requirements

The following table lists material disclosure requirements that have guided the preparation of this sustainability statement. The table can be used to navigate and find information in this sustainability statement relating to specific disclosure requirements.

In 2025, S4 was identified as a new material topic and is thus included in the table below. Fortum applies the transitional relief outlined in the July 2025 ESRS 'Quick Fix' amendments and therefore reports only limited information on this topic in accordance with BP-2, paragraph 17.

Following the updated double materiality assessment, topic E3 Water and marine resources is no longer considered material. As a result, all disclosure requirements under E3 have been omitted. Additionally, the following disclosure requirements for material topics have been omitted as not material: E1-7, E2-6, E4-6, E5-4, E5-6, S1-8, S1-9, S1-11, S1-12, S1-13, S1-15, S1-16, G1-5, and G1-6. A disclosure requirement is not considered material if the information is not relevant in terms of its significance to the matter it aims to depict or explain, or if it is not considered material to meet the users' decision-making needs.

For more information on the double materiality assessment process and results, see 1.4 Double materiality assessment.

| Reference | Topic | Section | Additional information |
|---|---|---|---|
| **ESRS 2** | **General disclosures** | | |
| BP-1 | General basis for preparation of sustainability statements | 1.2.1 Basis of preparation<br>1.2.2 Reporting scope | |
| BP-2 | Disclosures in relation to specific circumstances | 1.2.2 Reporting scope<br>1.2.4 Time horizons<br>1.2.5 Use of estimates, judgement and forward-looking information<br>2.2.8 Metrics for climate change | |
| GOV-1 | The role of the administrative, management and supervisory bodies | 1.5.1 Role of administrative, management and supervisory bodies | |
| GOV-2 | Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | 1.3.1 Business model and value chain<br>1.5.1 Role of administrative, management and supervisory bodies | |
| GOV-3 | Integration of sustainability-related performance in incentive schemes | 1.1.4 Fortum's sustainability targets<br>1.5.2 Sustainability-related performance in incentive schemes | |
| GOV-4 | Statement on due diligence | 1.5.4 Statement on sustainability due diligence | |
| GOV-5 | Risk management and internal controls over sustainability reporting | 1.5.3 Risk management and internal controls over sustainability reporting | |
| SBM-1 | Strategy, business model and value chain | 1.3.1 Business model and value chain | |
| SBM-2 | Interests and views of stakeholders | 1.3.2 Interests and views of stakeholders | |
| SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 1.4.2 Material impacts, risks and opportunities<br>2.2.2 Material impacts, risks and opportunities for climate change<br>2.2.4 Resilience analysis<br>2.3.2 Material impacts, risks and opportunities for pollution<br>2.4.2 Material impacts, risks and opportunities for biodiversity<br>2.5.2 Material impacts, risks and opportunities for resource use and circular economy<br>3.2.2 Material impacts, risks and opportunities for own workforce<br>3.3.2 Material impacts, risks and opportunities for workers in the value chain<br>3.4.2 Material impacts, risks and opportunities for affected communities<br>3.5.2 Material impacts, risks and opportunities related to privacy of consumers and own workforce<br>4.2 Material impacts, risks and opportunities for business conduct | Impacts, risks and opportunities for consumers and end-users are presented in section 3.5.2. Fortum is applying the phase-in provision to report a limited scope of information for S4 in accordance with BP-2, paragraph 17. |
| IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | 1.4.1 Double materiality assessment process | |
| IRO-2 | Disclosure requirements in ESRS covered by the undertaking's sustainability statement | 5.1 Material disclosure requirements<br>5.2 Data points required by EU law | |

| Reference | Topic | Section | Additional information |
|---|---|---|---|
| **E1** | **Climate change** | | |
| ESRS 2, GOV-3 | Integration of sustainability-related performance in incentive schemes | 1.5.2 Sustainability-related performance in incentive schemes | |
| E1-1 | Transition plan for climate change mitigation | 2.2.5 Targets for climate change<br>2.2.6 Transition plan for climate change mitigation<br>2.2.7 Actions and resources for climate change<br>2.6.3 EU Taxonomy KPIs<br>2.6.4 Transitional activities (Nuclear and Natural gas)<br>2.6.5 Capital expenditure plan | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 1.4.2 Material impacts, risks and opportunities<br>2.2.2 Material impacts, risks and opportunities for climate change<br>2.2.4 Resilience analysis | |
| ESRS 2, IRO-1 | Description of the processes to identify and assess material climate-related impacts, risks and opportunities | 1.4.1 Double materiality assessment process | |
| E1-2 | Policies related to climate change mitigation and adaptation | 2.1.2 Policies on environmental matters<br>2.2.3 Policies on climate change | |
| E1-3 | Actions and resources in relation to climate change policies | 2.2.7 Actions and resources for climate change | |
| E1-4 | Targets related to climate change mitigation and adaptation | 2.2.4 Resilience analysis<br>2.2.5 Targets for climate change<br>2.2.6 Transition plan for climate change mitigation<br>2.2.8 Metrics for climate change | |
| E1-5 | Energy consumption and mix | 2.2.8 Metrics for climate change | |
| E1-6 | Gross Scopes 1, 2, 3, and Total GHG emissions | 2.2.8 Metrics for climate change | |
| E1-8 | Internal carbon pricing | 2.2.8 Metrics for climate change | |
| E1-9 | Anticipated financial effects from material physical and transition risks and potential climate-related opportunities | | Phased-in, not reported in 2025 |
| **E2** | **Pollution** | | |
| ESRS 2, IRO-1 | Description of the processes to identify and assess material pollution-related impacts, risks and opportunities | 1.4.1 Double materiality assessment process | |
| E2-1 | Policies related to pollution | 2.1.2 Policies on environmental matters<br>2.3.3 Policies on pollution | |
| E2-2 | Actions and resources related to pollution | 2.3.5 Actions and resources for pollution | |
| E2-3 | Targets related to pollution | 2.3.4 Targets for pollution | |
| E2-4 | Pollution of air, water and soil | 2.3.6 Metrics for pollution | Only pollution of air-related metrics are reported as material |

| Reference | Topic | Section | Additional information |
|---|---|---|---|
| E2-5 | Substances of concern and substances of very high concern | 2.3.6 Metrics for pollution | |
| **E4** | **Biodiversity and ecosystems** | | |
| E4-1 | Transition plan and consideration of biodiversity and ecosystems in strategy and business model | 2.4.5 Transition plan for biodiversity | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 1.4.2 Material impacts, risks and opportunities<br>2.4.2 Material impacts, risks and opportunities for biodiversity<br>2.4.7 Metrics for biodiversity | |
| ESRS 2, IRO-1 | Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities | 1.4.1 Double materiality assessment process<br>2.4.4 Targets for biodiversity<br>2.4.7 Metrics for biodiversity | |
| E4-2 | Policies related to biodiversity and ecosystems | 2.1.2 Policies on environmental matters<br>2.4.3 Policies on biodiversity | |
| E4-3 | Actions and resources related to biodiversity and ecosystems | 2.4.5 Transition plan for biodiversity<br>2.4.6 Actions and resources for biodiversity | |
| E4-4 | Targets related to biodiversity and ecosystems | 2.4.4 Targets for biodiversity | |
| E4-5 | Impact metrics related to biodiversity and ecosystems change | 2.4.7 Metrics for biodiversity | |
| **E5** | **Resource use and circular economy** | | |
| ESRS 2, IRO-1 | Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities | 1.4.1 Double materiality assessment process | |
| E5-1 | Policies related to resource use and circular economy | 2.1.2 Policies on environmental matters<br>2.5.3 Policies on resource use and circular economy | |
| E5-2 | Actions and resources related to resource use and circular economy | 2.5.5 Actions and resources for resource use and circular economy | |
| E5-3 | Targets related to resource use and circular economy | 2.5.4 Targets for resource use and circular economy | |
| E5-5 | Resource outflows | 2.5.6 Metrics for resource use and circular economy | Only radioactive waste is material |
| **S1** | **Own workforce** | | |
| ESRS 2, SBM-2 | Interests and views of stakeholders | 1.3.2 Interests and views of stakeholders | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 1.3.1 Business model and value chain<br>1.4.1 Double materiality assessment process<br>1.4.2 Material impacts, risks and opportunities<br>3.2.2 Material impacts, risks and opportunities for own workforce | |

| Reference | Topic | Section | Additional information |
|---|---|---|---|
| S1-1 | Policies related to own workforce | 3.1.2 Policies on social matters and respect for human rights<br>3.2.3 Policies on own workforce<br>3.2.7 Remediating negative impacts on own workforce and grievance mechanisms<br>3.5.3 Policies on privacy of consumers and own workforce | |
| S1-2 | Processes for engaging with own workers and workers' representatives about impacts | 3.2.6 Engaging with own workforce on impacts | |
| S1-3 | Processes to remediate negative impacts and channels for own workers to raise concerns | 3.2.7 Remediating negative impacts on own workforce and grievance mechanisms<br>4.4 Reporting misconduct and protection of whistleblowers | |
| S1-4 | Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions | 3.1.2 Policies on social matters and respect for human rights<br>3.2.2 Material impacts, risks and opportunities for own workforce<br>3.2.5 Taking action and tracking effectiveness of actions on own workforce<br>3.2.6 Engaging with own workforce on impacts<br>3.2.7 Remediating negative impacts on own workforce and grievance mechanisms<br>3.5.5 Taking action on privacy of consumers and own workforce | |
| S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 3.2.4 Targets for own workforce<br>3.5.4 Targets for privacy of consumers and own workforce<br>3.5.5 Taking action on privacy of consumers and own workforce | |
| S1-6 | Characteristics of the undertaking's employees | 3.2.1 Introduction to own workforce | |
| S1-7 | Characteristics of non-employee workers in the undertaking's own workforce | | Phased-in, not reported in 2025 |
| S1-10 | Adequate wages | 3.2.5 Taking action and tracking effectiveness of actions on own workforce | |
| S1-14 | Health and safety metrics | 3.2.5 Taking action and tracking effectiveness of actions on own workforce | |
| S1-17 | Incidents, complaints and severe human rights impacts | 3.1.2 Policies on social matters and respect for human rights<br>3.2.5 Taking action and tracking effectiveness of actions on own workforce | |
| **S2** | **Workers in the value chain** | | |
| ESRS 2, SBM-2 | Interests and views of stakeholders | 1.3.2 Interests and views of stakeholders | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 1.3.1 Business model and value chain<br>1.4.1 Double materiality assessment process<br>1.4.2 Material impacts, risks and opportunities<br>3.3.2 Material impacts, risks and opportunities for workers in the value chain | |

| Reference | Topic | Section | Additional information |
|---|---|---|---|
| S2-1 | Policies related to value chain workers | 3.1.2 Policies on social matters and respect for human rights<br>3.3.3 Policies on workers in the value chain<br>3.3.6 Engaging with value chain workers on impacts<br>3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms | |
| S2-2 | Processes for engaging with value chain workers about impacts | 3.3.6 Engaging with value chain workers on impacts | |
| S2-3 | Processes to remediate negative impacts and channels for value chain workers to raise concerns | 3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms<br>4.4 Reporting misconduct and protection of whistleblowers | |
| S2-4 | Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions | 3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain<br>3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms<br>4.5 Management of relationships with suppliers | |
| S2-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 3.3.4 Targets for workers in the value chain | |
| **S3** | **Affected communities** | | |
| ESRS 2, SBM-2 | Interests and views of stakeholders | 1.3.2 Interests and views of stakeholders | |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | 1.3.1 Business model and value chain<br>1.4.1 Double materiality assessment process<br>1.4.2 Material impacts, risks and opportunities<br>3.4.1 Introduction to affected communities<br>3.4.2 Material impacts, risks and opportunities for affected communities | |
| S3-1 | Policies related to affected communities | 3.1.2 Policies on social matters and respect for human rights<br>3.4.3 Policies on affected communities<br>3.4.6 Engaging with affected communities on impacts<br>3.4.7 Remediating negative impacts on affected communities | |
| S3-2 | Processes for engaging with affected communities about impacts | 1.3.2 Interests and views of stakeholders<br>3.4.5 Taking action and tracking effectiveness of actions on affected communities<br>3.4.6 Engaging with affected communities on impacts | |
| S3-3 | Processes to remediate negative impacts and channels for affected communities to raise concerns | 3.4.7 Remediating negative impacts on affected communities<br>4.4 Reporting misconduct and protection of whistleblowers | |
| S3-4 | Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions | 3.1.2 Policies on social matters and respect for human rights<br>3.4.5 Taking action and tracking effectiveness of actions on affected communities<br>3.4.7 Remediating negative impacts on affected communities | |
| S3-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | 3.4.4 Targets for affected communities | |
| **S4** | **Consumers and end-users** | | |
| S4-1, S4-4, S4-5 | | 3.1.2 Policies on social matters and respect for human rights<br>3.5.1 Introduction to privacy of consumers and own workforce<br>3.5.2 Material impacts, risks and opportunities related to privacy of consumers and own workforce<br>3.5.3 Policies on privacy of consumers and own workforce<br>3.5.4 Targets for privacy of consumers and own workforce<br>3.5.5 Taking action on privacy of consumers and own workforce | Only privacy is reported as material. Fortum is applying the phase-in provision to report a limited scope of information for S4 in accordance with BP-2, paragraph 17 |
| **G1** | **Business conduct** | | |
| ESRS 2, GOV-1 | Role of the administrative, supervisory and management bodies | 1.5.1 Role of administrative, management and supervisory bodies | |
| ESRS 2, IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | 1.4.1 Double materiality assessment process | |
| G1-1 | Corporate culture and business conduct policies | 4.3 Policies on business conduct and corporate culture<br>4.4 Reporting misconduct and protection of whistleblowers<br>4.6.3 Training on business conduct and anti-corruption and anti-bribery | Animal welfare not reported as material |
| G1-2 | Management of relationships with suppliers | 4.5 Management of relationships with suppliers | Data point 15 reported as material |
| G1-3 | Prevention and detection of corruption and bribery | 4.6 Prevention and detection of corruption and bribery | |
| G1-4 | Confirmed incidents of corruption or bribery | 4.6.2 Metrics for corruption and bribery | |

## 5.2 Data points required by EU law

The following table lists data points that derive from other EU legislation. The table can be used to navigate and find information in this sustainability statement relating to these data points.

| Disclosure requirement | Paragraph | Name of disclosure requirement | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law reference | Section |
|---|---|---|---|---|---|---|---|
| ESRS 2 GOV-1 | 21 (d) | Board's gender diversity | Indicator number 13 Table #1 of Annex 1 | | Commission Delegated Regulation (EU) 2020/1816, Annex II | | 1.5.1 Role of administrative, management and supervisory bodies |
| ESRS 2 GOV-1 | 21 (e) | Percentage of board members who are independent | | | Delegated Regulation (EU) 2020/1816, Annex II | | 1.5.1 Role of administrative, management and supervisory bodies |
| ESRS 2 GOV-4 | 30 | Statement on due diligence | Indicator number 10 Table #3 of Annex 1 | | | | 1.5.4 Statement on sustainability due diligence |
| ESRS 2 SBM-1 | 40 (d) i | Involvement in activities related to fossil fuel activities | Indicator number 4 Table #1 of Annex 1 | Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk | Delegated Regulation (EU) 2020/1816, Annex II | | 1.3.1 Business model and value chain<br>2.6 EU Taxonomy |
| ESRS 2 SBM-1 | 40 (d) ii | Involvement in activities related to chemical production | Indicator number 9 Table #2 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | Not material |
| ESRS 2 SBM-1 | 40 (d) iii | Involvement in activities related to controversial weapons | Indicator number 14 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | Not material |
| ESRS 2 SBM-1 | 40 (d) iv | Involvement in activities related to cultivation and production of tobacco | | | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | Not material |
| ESRS E1-1 | 14 | Transition plan to reach climate neutrality by 2050 | | | | Regulation (EU) 2021/1119, Article 2(1) | 2.2.6 Transition plan for climate change mitigation |
| ESRS E1-1 | 16 (g) | Undertakings excluded from Paris-aligned Benchmarks | | Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2 | | 2.2.6 Transition plan for climate change mitigation |
| ESRS E1-4 | 34 | GHG emission reduction targets | Indicator number 4 Table #2 of Annex 1 | Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 6 | | 2.2.4 Resilience analysis<br>2.2.6 Transition plan for climate change mitigation<br>2.2.5 Targets for climate change |
| ESRS E1-5 | 38 | Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) | Indicator number 5 Table #1 and Indicator no. 5 Table #2 of Annex 1 | | | | 2.2.8 Metrics for climate change |
| ESRS E1-5 | 37 | Energy consumption and mix | Indicator number 5 Table #1 of Annex 1 | | | | 2.2.8 Metrics for climate change |
| ESRS E1-5 | 40-43 | Energy intensity associated with activities in high climate impact sectors | Indicator number 6 Table #1 of Annex 1 | | | | 2.2.8 Metrics for climate change |
| ESRS E1-6 | 44 | Gross Scope 1, 2, 3, and Total GHG emissions | Indicators number 1 and 2 Table #1 of Annex 1 | Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1) | | 2.2.8 Metrics for climate change |
| ESRS E1-6 | 53-55 | Gross GHG emissions intensity | Indicators number 3 Table #1 of Annex 1 | Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 8(1) | | 2.2.8 Metrics for climate change |

| Disclosure requirement | Paragraph | Name of disclosure requirement | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law reference | Section |
|---|---|---|---|---|---|---|---|
| ESRS E1-7 | 56 | GHG removals and carbon credits | | | | Regulation (EU) 2021/1119, Article 2(1) | Not material |
| ESRS E1-9 | 66 | Exposure of the benchmark portfolio to climate-related physical risks | | | Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II | | Phased-in, not reported in 2025 |
| ESRS E1-9 | 66 (a); 66(c) | Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk | | Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk. | | | Phased-in, not reported in 2025 |
| ESRS E1-9 | 67 (c) | Breakdown of the carrying value of its real estate assets by energy-efficiency classes | | Article 449a: Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral. | | | Phased-in, not reported in 2025 |
| ESRS E1-9 | 69 | Degree of exposure of the portfolio to climate-related opportunities | | | Delegated Regulation (EU) 2020/1818, Annex II | | Phased-in, not reported in 2025 |
| ESRS E2-4 | 28 | Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil | Indicator number 8 Table #1 of Annex 1<br>Indicator number 2 Table #2 of Annex 1<br>Indicator number 1 Table #2 of Annex 1<br>Indicator number 3 Table #2 of Annex 1 | | | | 2.3.6 Metrics for pollution<br>(only emissions to air are material) |
| ESRS E3-1 | 9 | Water and marine resources | Indicator number 7 Table #2 of Annex 1 | | | | Not material |
| ESRS E3-1 | 13 | Dedicated policy | Indicator number 8 Table #2 of Annex 1 | | | | Not material |
| ESRS E3-1 | 14 | Sustainable oceans and seas | Indicator number 12 Table #2 of Annex 1 | | | | Not material |
| ESRS E3-4 | 28 (c) | Total water recycled and reused | Indicator number 6.2 Table #2 of Annex 1 | | | | Not material |
| ESRS E3-4 | 29 | Total water consumption in $m^3$ per net revenue on own operations | Indicator number 6.1 Table #2 of Annex 1 | | | | Not material |
| ESRS 2- SBM 3-E4 | 16 (a) i | | Indicator number 7 Table #1 of Annex 1 | | | | 2.4.7 Metrics for biodiversity |
| ESRS 2- SBM 3-E4 | 16 (b) | | Indicator number 10 Table #2 of Annex 1 | | | | 2.4.2 Material impacts, risks and opportunities for biodiversity |
| ESRS 2- SBM 3-E4 | 16 (c) | | Indicator number 14 Table #2 of Annex 1 | | | | 2.4.2 Material impacts, risks and opportunities for biodiversity |
| ESRS E4-2 | 24 (b) | Sustainable land/agriculture practices or policies | Indicator number 11 Table #2 of Annex 1 | | | | 2.4.3 Policies on biodiversity |
| ESRS E4-2 | 24 (c) | Sustainable oceans/seas practices or policies | Indicator number 12 Table #2 of Annex 1 | | | | 2.4.3 Policies on biodiversity |
| ESRS E4-2 | 24 (d) | Policies to address deforestation | Indicator number 15Table #2 of Annex 1 | | | | 2.4.3 Policies on biodiversity |
| ESRS E5-5 | 37 (d) | Non-recycled waste | Indicator number 13 Table #2 of Annex 1 | | | | Not material |
| ESRS E5-5 | 39 | Hazardous waste and radioactive waste | Indicator number 9 Table #1 of Annex 1 | | | | 2.5.6 Metrics for resource use and circular economy |
| ESRS 2- SBM3-S1 | 14 (f) | Risk of incidents of forced labour | Indicator number 13 Table #3 of Annex I | | | | 3.2.2 Material impacts, risks and opportunities for own workforce |
| ESRS 2- SBM3-S1 | 14 (g) | Risk of incidents of child labour | Indicator number 12 Table #3 of Annex I | | | | 3.2.2 Material impacts, risks and opportunities for own workforce |
| ESRS S1-1 | 20 | Human rights policy commitments | Indicator number 9 Table #3 and<br>Indicator number 11 Table #1 of Annex I | | | | 3.1.2 Policies on social matters and respect for human rights |
| ESRS S1-1 | 21 | Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 | | | Delegated Regulation (EU) 2020/1816, Annex II | | 3.1.2 Policies on social matters and respect for human rights |
| ESRS S1-1 | 22 | Processes and measures for preventing trafficking in human beings | Indicator number 11 Table #3 of Annex I | | | | 3.1.2 Policies on social matters and respect for human rights |
| ESRS S1-1 | 23 | Workplace accident prevention policy or management system | Indicator number 1 Table #3 of Annex I | | | | 3.1.2 Policies on social matters and respect for human rights |

| Disclosure requirement | Paragraph | Name of disclosure requirement | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law reference | Section |
|---|---|---|---|---|---|---|---|
| ESRS S1-3 | 32 (c) | Grievance/complaints handling mechanisms | Indicator number 5 Table #3 of Annex I | | | | 3.2.7 Remediating negative impacts on own workforce and grievance mechanisms<br>4.3 Policies on business conduct and corporate culture<br>4.4 Reporting misconduct and protection of whistleblowers |
| ESRS S1-14 | 88 (b) and (c) | Number of fatalities and number and rate of work-related accidents | Indicator number 2 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | | 3.2.5 Taking action and tracking effectiveness of actions on own workforce |
| ESRS S1-14 | 88 (e) | Number of days lost to injuries, accidents, fatalities or illness | Indicator number 3 Table #3 of Annex I | | | | 3.2.5 Taking action and tracking effectiveness of actions on own workforce |
| ESRS S1-16 | 97 (a) | Unadjusted gender pay gap | Indicator number 12 Table #1 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | | Not material |
| ESRS S1-16 | 97 (b) | Excessive CEO pay ratio | Indicator number 8 Table #3 of Annex I | | | | Not material |
| ESRS S1-17 | 103 (a) | Incidents of discrimination | Indicator number 7 Table #3 of Annex I | | | | 3.2.5 Taking action and tracking effectiveness of actions on own workforce |
| ESRS S1-17 | 104 (a) | Non-respect of UNGPs on Business and Human Rights and OECD guidelines | Indicator number 10 Table #1 and Indicator no. 14 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | | 3.1.2 Policies on social matters and respect for human rights |
| ESRS 2- SBM3-S2 | 11 (b) | Significant risk of child labour or forced labour in the value chain | Indicator numbers 12 and 13 Table #3 of Annex I | | | | 3.3.2 Material impacts, risks and opportunities for workers in the value chain |
| ESRS S2-1 | 17 | Human rights policy commitments | Indicator number 9 Table #3 and Indicator no. 11 Table #1 of Annex 1 | | | | 3.1.2 Policies on social matters and respect for human rights<br>3.3.3 Policies on workers in the value chain<br>3.3.6 Engaging with value chain workers on impacts<br>3.3.7 Remediating negative impacts on workers in the value chain and grievance mechanisms |
| ESRS S2-1 | 18 | Policies related to value chain workers | Indicator number 11 and 4 Table #3 of Annex 1 | | | | 3.3.3 Policies on workers in the value chain |
| ESRS S2-1 | 19 | Non- respect of UNGPs on Business and Human Rights principles and OECD guidelines | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | 3.1.2 Policies on social matters and respect for human rights |
| ESRS S2-1 | 19 | Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 | | | Delegated Regulation (EU) 2020/1816, Annex II | | 3.3.3 Policies on workers in the value chain<br>4.5 Management of relationships with suppliers |
| ESRS S2-4 | 36 | Human rights issues and incidents connected to its upstream and downstream value chain | Indicator number 14 Table #3 of Annex 1 | | | | 3.1.2 Policies on social matters and respect for human rights<br>4.5 Management of relationships with suppliers |
| ESRS S3-1 | 16 | Human rights policy commitments | Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1 | | | | 3.1.2 Policies on social matters and respect for human rights<br>3.4.3 Policies on affected communities<br>3.4.6 Engaging with affected communities on impacts<br>3.4.7 Remediating negative impacts on affected communities |
| ESRS S3-1 | 17 | Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines | Indicator number 10 Table #1 Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | 3.1.2 Policies on social matters and respect for human rights |
| ESRS S3-4 | 36 | Human rights issues and incidents | Indicator number 14 Table #3 of Annex 1 | | | | 3.1.2 Policies on social matters and respect for human rights |
| ESRS S4-1 | 16 | Policies related to consumers and end users | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1 | | | | 3.1.2 Policies on social matters and respect for human rights<br>3.5.3 Policies on privacy of consumers and own workforce |
| ESRS S4-1 | 17 | Non-respect of UNGPs on Business and Human Rights and OECD guidelines | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | 3.1.2 Policies on social matters and respect for human rights |

| Disclosure requirement | Paragraph | Name of disclosure requirement | SFDR reference | Pillar 3 reference | Benchmark regulation reference | EU Climate Law reference | Section |
|---|---|---|---|---|---|---|---|
| ESRS S4-4 | 35 | Human rights issues and incidents | Indicator number 14 Table #3 of Annex 1 | | | | 3.1.2 Policies on social matters and respect for human rights |
| ESRS G1-1 | 10 (b) | United Nations Convention against Corruption | Indicator number 15 Table #3 of Annex 1 | | | | 4.3 Policies on business conduct and corporate culture |
| ESRS G1-1 | 10 (d) | Protection of whistleblowers | Indicator number 6 Table #3 of Annex 1 | | | | 4.4 Reporting misconduct and protection of whistleblowers |
| ESRS G1-4 | 24 (a) | Fines for violation of anti-corruption and anti-bribery laws | Indicator number 17 Table #3 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | 4.6.2 Metrics for corruption and bribery |
| ESRS G1-4 | 24 (b) | Standards of anti-corruption and anti-bribery | Indicator number 16 Table #3 of Annex 1 | | | | 4.6 Prevention and detection of corruption and bribery |

# Financial statements

# Consolidated financial statements

## Consolidated income statement

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Sales | 6 | 4,989 | 5,800 |
| Other income | | 24 | 48 |
| Materials and services | 9 | -2,901 | -3,295 |
| Employee benefits | 10 | -419 | -485 |
| Depreciation and amortisation | 6, 17, 18 | -315 | -379 |
| Other expenses | 8 | -454 | -511 |
| **Comparable operating profit** | 6 | **924** | **1,178** |
| Items affecting comparability | 6, 7 | 15 | 147 |
| **Operating profit** | 6 | **939** | **1,325** |
| Share of profit of associates and joint ventures | 6, 19 | 56 | 19 |
| Interest expense | | -157 | -226 |
| Interest income | | 111 | 234 |
| Other financial items - net | | -13 | 47 |
| Finance costs - net | 11 | -59 | 55 |
| **Profit before income tax** | | **936** | **1,399** |
| Income tax expense | 12 | -173 | -239 |
| **Net profit** | | **763** | **1,160** |
| **Attributable to:** | | | |
| Owners of the parent | | 765 | 1,164 |
| Non-controlling interests | | -2 | -4 |

| **Earnings per share for profit attributable to the equity owners of the company (EUR per share)** | 13 | | |
|---|---|---|---|
| Basic | | 0.85 | 1.30 |

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

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **Comparable operating profit** | | **924** | **1,178** |
| Impairment charges and reversals | | -25 | -17 |
| Capital gains and other related items | | -4 | 183 |
| Changes in fair values of derivatives hedging future cash flow | | 47 | -61 |
| Other | | -3 | 43 |
| Items affecting comparability | 6, 7 | 15 | 147 |
| **Operating profit** | | **939** | **1,325** |

See Reconciliations of alternative performance measures and Definitions of key figures.

# Consolidated statement of comprehensive income

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **Net profit** | | **763** | **1,160** |
| | | | |
| **Other comprehensive income** | | | |
| **Items that may be reclassified to profit or loss in subsequent periods:** | | | |
| Cash flow hedges | | | |
| Fair value gains/losses | | -115 | 516 |
| Transfers to income statement | | -46 | 66 |
| Transfers to inventory/property, plant and equipment | | -3 | -1 |
| Deferred taxes | | 32 | -116 |
| Net investment hedges | | | |
| Fair value gains/losses | | -7 | 4 |
| Deferred taxes | | 1 | -1 |
| Exchange differences on translating foreign operations | 4.3 | 63 | 13 |
| Share of other comprehensive income of associates and joint ventures | 19 | 1 | 1 |
| | | **-73** | **483** |
| **Items that will not be reclassified to profit or loss in subsequent periods:** | | | |
| Remeasurement of investments | | 0 | 1 |
| Actuarial gains/losses on defined benefit plans | 32 | 26 | 15 |
| Actuarial gains/losses on defined benefit plans in associates and joint ventures | | 2 | 0 |
| | | **28** | **16** |
| **Other comprehensive income/expense, net of deferred taxes** | | **-45** | **499** |
| | | | |
| **Total comprehensive income/expense** | | **718** | **1,659** |
| | | | |
| **Total comprehensive income/expense attributable to:** | | | |
| Owners of the parent | | 718 | 1,663 |
| Non-controlling interests | | 0 | -4 |
| | | **718** | **1,659** |

Other comprehensive income (OCI) includes items of income and expense that are recognised in equity and not recognised in the consolidated income statement. They include unrealised items, such as fair value gains and losses on financial instruments hedging future cash flows. These items will be realised in the Consolidated income statement when the underlying hedged items are recognised. OCI also includes gains and losses on fair valuation of other investments, actuarial gains and losses from defined benefit plans, items on comprehensive income in associated companies and translation differences.

Fair valuation of cash flow hedges mainly relates to fair valuation of derivatives, such as futures and forwards, hedging commodity sales price for 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).

Exchange differences on translating foreign operations include translation differences from translation of foreign entities, mainly SEK and NOK.

# Consolidated balance sheet

| EUR million | Note | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Intangible assets | 17 | 558 | 549 |
| Property, plant and equipment and right-of-use assets | 18 | 6,572 | 6,070 |
| Participations in associates and joint ventures | 19 | 1,335 | 1,260 |
| Share in the State Nuclear Waste Management Fund | 29 | 1,153 | 1,117 |
| Other non-current assets | 21 | 274 | 238 |
| Deferred tax assets | 28 | 812 | 845 |
| Derivative financial instruments | 15, 16 | 145 | 266 |
| Long-term interest-bearing receivables | 22 | 565 | 431 |
| **Total non-current assets** | | **11,414** | **10,777** |
| | | | |
| **Current assets** | | | |
| Inventories | 23 | 512 | 420 |
| Derivative financial instruments | 15, 16 | 188 | 379 |
| Short-term interest-bearing receivables | 22 | 359 | 283 |
| Margin receivables | 27 | 179 | 205 |
| Trade and other receivables | 24 | 889 | 1,108 |
| Liquid funds | 25 | 2,903 | 4,136 |
| **Total current assets** | | **5,030** | **6,530** |
| | | | |
| **Total assets** | | **16,444** | **17,307** |

| EUR million | Note | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|---|
| **EQUITY** | | | |
| **Equity attributable to owners of the parent** | | | |
| Share capital | 26 | 3,046 | 3,046 |
| Share premium | | 73 | 73 |
| Retained earnings | | 5,333 | 5,770 |
| Other equity components | | 87 | 186 |
| **Total** | | **8,539** | **9,074** |
| Non-controlling interests | | 81 | 79 |
| **Total equity** | | **8,620** | **9,154** |
| | | | |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Interest-bearing liabilities | 27 | 3,595 | 4,336 |
| Derivative financial instruments | 15, 16 | 174 | 221 |
| Deferred tax liabilities | 28 | 362 | 386 |
| Nuclear provisions | 29 | 1,153 | 1,117 |
| Other non-current liabilities | 30 | 252 | 216 |
| **Total non-current liabilities** | | **5,534** | **6,276** |
| | | | |
| **Current liabilities** | | | |
| Interest-bearing liabilities | 27 | 1,151 | 492 |
| Derivative financial instruments | 15, 16 | 257 | 333 |
| Margin liabilities | 27 | 55 | 93 |
| Trade and other payables | 33 | 826 | 959 |
| **Total current liabilities** | | **2,289** | **1,877** |
| | | | |
| **Total liabilities** | | **7,824** | **8,153** |
| | | | |
| **Total equity and liabilities** | | **16,444** | **17,307** |

# Consolidated statement of changes in total equity

| | | | | Retained earnings | | Other equity components | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| EUR million | Note | Share capital | Share premium | Retained earnings | Translation of foreign operations | Cash flow hedges | Other OCI items | OCI items associates and joint ventures | Owners of the parent | Non-controlling interests | Total equity |
| **Total equity 1 January 2025** | | **3,046** | **73** | **6,780** | **-1,010** | **127** | **5** | **53** | **9,074** | **79** | **9,154** |
| Net profit | | | | 765 | | | | | 765 | -2 | 763 |
| Translation differences | | | | | 51 | 6 | 0 | 3 | 61 | 2 | 63 |
| Other comprehensive income | | | | | | -132 | 21 | 3 | -108 | 0 | -108 |
| Total comprehensive income for the year | | | | 765 | 51 | -126 | 21 | 6 | 718 | 0 | 718 |
| Cash dividend | 13 | | | -1,256 | | | | | -1,256 | 0 | -1,256 |
| Transactions with non-controlling interests | | | | | | | | | 0 | 2 | 2 |
| Other | | | | 3 | | | | | 3 | 0 | 3 |
| **Total equity 31 December 2025** | | **3,046** | **73** | **6,292** | **-959** | **2** | **26** | **59** | **8,539** | **81** | **8,620** |
| | | | | | | | | | | | |
| **Total equity 1 January 2024** | | **3,046** | **73** | **6,618** | **-1,026** | **-337** | **-14** | **79** | **8,438** | **60** | **8,499** |
| Net profit | | | | 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 year | | | | 1,164 | 15 | 465 | 19 | 0 | 1,663 | -4 | 1,659 |
| Cash dividend | 13 | | | -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** |

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).

## Translation differences

Translation of financial information from operations 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 and NOK).

For information regarding exchange rates used, see Note 1 Material accounting policies. For information about translation exposure see Note 4.3 Interest rate risk and currency risk.

## 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 2024 of EUR 1.40 per share, amounting to a total of EUR 1,256 million, was decided in the Annual General Meeting on 1 April 2025. The dividend was paid on 10 April 2025.

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.

See Note 13 Earnings and dividend per share.

# Consolidated cash flow statement

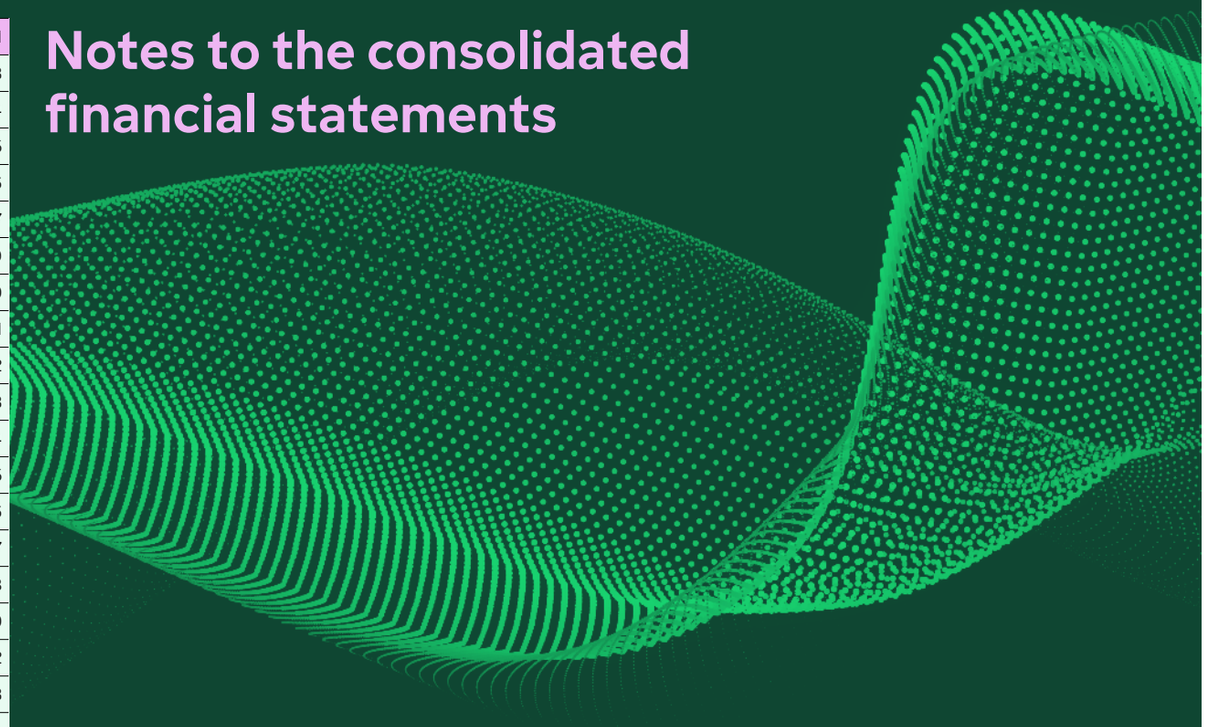
| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **Cash flow from operating activities** | | | |
| **Net profit** | | **763** | **1,160** |
| **Adjustments:** | | | |
| Income tax expense | | 173 | 239 |
| Finance costs - net | | 59 | -55 |
| Share of profit/loss of associates and joint ventures | 19 | -56 | -19 |
| Depreciation and amortisation | 6 | 315 | 379 |
| **Operating profit before depreciations (EBITDA)** | | **1,254** | **1,704** |
| Items affecting comparability | 6, 7 | -15 | -147 |
| **Comparable EBITDA** | | **1,240** | **1,556** |
| Non-cash and other items | | -30 | -2 |
| Interest received | | 113 | 236 |
| Interest paid | | -173 | -225 |
| Dividends received | | 23 | 14 |
| Realised foreign exchange results and other financial items [1] | | -113 | -87 |
| Income taxes paid | | -147 | -196 |
| **Funds from operations** | | **912** | **1,297** |
| Change in working capital | | -73 | 95 |
| **Net cash from operating activities** | | **840** | **1,392** |
| | | | |
| **Cash flow from investing activities** | | | |
| Capital expenditures | 17, 18 | -499 | -472 |
| Acquisitions of shares | 3 | -88 | -33 |
| Proceeds from sales of property, plant and equipment | | 1 | 3 |
| Divestments of shares and capital returns | 3 | -1 | 764 |
| Shareholder loans to associated companies and joint ventures | 22 | -101 | -26 |
| Change in margin receivables | | 26 | 386 |
| Change in other interest-bearing receivables | 22 | 48 | -19 |
| **Net cash from/used in investing activities** | | **-614** | **604** |

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **Cash flow before financing activities** | | **226** | **1,995** |
| | | | |
| **Cash flow from financing activities** | | | |
| Proceeds from long-term liabilities | 27 | 14 | 5 |
| Payments of long-term liabilities [2] | 27 | -35 | -944 |
| Change in short-term liabilities | 27 | -149 | -37 |
| Dividends paid to the owners of the parent | 13 | -1,256 | -1,032 |
| Change in margin liabilities | | -38 | -38 |
| Other financing activities | | 2 | 2 |
| **Net cash from/used in financing activities** | | **-1,461** | **-2,043** |
| | | | |
| **Net increase(+)/decrease(-) in liquid funds** | | **-1,235** | **-47** |
| | | | |
| **Liquid funds at the beginning of the period** | 25 | **4,136** | **4,183** |
| Foreign exchange differences and expected credit loss allowance in liquid funds | | 2 | 0 |
| **Liquid funds at the end of the period** | 24 | **2,903** | **4,136** |

1) Realised foreign exchange results and other financial items were earlier included in Non-cash and other items.
2) In 2024, 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 was impacting the cash flow.

See Note 14 Additional cash flow information.

# Notes to the consolidated financial statements



## Notes

| | |
|---|---|
| **1–3 Basis of preparation** | These notes describe the basis of preparing the consolidated financial statements and consist of the accounting policies, critical accounting estimates and judgements and information about acquisitions and disposals. |
| **4–5 Risks** | In the Risks section you will find notes that disclose how Fortum manages financial risks and capital risks. |
| **6–14 Income statement and cash flow** | These notes provide supporting information for the income statement and cash flow. |
| **15–34 Balance sheet** | These notes provide supporting information for the balance sheet. |
| **35–37 Off-balance sheet items** | The notes in this section provide information on items that are not included on the balance sheet. |
| **38–40 Group structure and related parties** | This section includes information on related party transactions, events after balance sheet date and the subsidiaries of Fortum group. |

# 1 Material accounting policies

## 1.1 Basic information

Fortum Corporation (the company) is a Finnish public limited liability company domiciled in Espoo, Finland. Fortum's shares are traded on Nasdaq Helsinki. Fortum is a Nordic energy company. We generate and deliver reliable energy to our customers and the Nordic energy system while at the same time helping industries decarbonise their processes and grow. Our core operations comprise efficient and best-in-class low-carbon power generation, customer services, and heating and cooling. Fortum's power generation is already 99% from renewable or nuclear sources with one the lowest specific $CO_2$-emissions in Europe. We are guided by our ambitious SBTi-validated emission reduction targets on our way towards net-zero by 2040. For our ~4,500 employees, we commit to be a safe and inspiring workplace.

The official Finnish financial statements were approved by the Board of Directors on 2 February 2026. The official and approved Financial Statements are published in accordance with the European Single Electronic Format (ESEF) reporting requirement. The audit firm, Deloitte Oy, has provided an independent auditor's reasonable assurance report on Fortum's ESEF Financial Statements in accordance with ISAE 3000. The ESEF report is available at www.fortum.com/about-us/investors/reports-and-presentations.

## 1.2 Basis for preparation

The consolidated financial statements of Fortum Group for the year ended 31 December 2025 have been prepared in accordance with the IFRS Accounting standards as adopted by the European Union. The term "IFRS Accounting Standards" used in this document refers to IFRS® Accounting standards as issued by the International Accounting Standards Board (IASB) as well as interpretations of these standards as issued by IASB's Standards Interpretation Committee (SIC®) and IFRS Interpretations Committee (IFRIC®). The notes to the consolidated financial statements also comply with the supplementing requirements of the Finnish accounting and company legislation.

The consolidated financial statements have been prepared under the historical cost convention, except for financial assets and financial liabilities (including derivative instruments) that are valued at fair value through profit and loss or other comprehensive income.

The figures in the consolidated 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. Unless otherwise indicated, all amounts are presented in millions of euro (EUR million).

## 1.3 Principles for consolidation

These consolidated financial statements comprise of the parent company, subsidiaries, joint ventures and associated companies.

Fortum Group was formed in 1998 by using the pooling-of-interests method for consolidating Fortum Power and Heat Oy and Fortum Oil and Gas Oy (the latter demerged to Fortum Oil Oy and Fortum Heat and Gas Oy 1 May 2004). In 2005 Fortum Oil Oy (current Neste Oyj) was separated from Fortum by distributing 85% of its shares to Fortum's shareholders and by selling the remaining 15%. This means that the acquisition cost of Fortum Power and Heat Oy and Fortum Heat and Gas Oy has been eliminated against the equity of the companies. The difference has been entered as a decrease in shareholders' equity.

### 1.3.1 Subsidiaries

Subsidiaries are defined as companies over which Fortum has control. Control exists when Fortum is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. See Note 3 Acquisitions and disposals.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, subsidiaries' accounting policies have been changed to ensure consistency with the policies the Group has adopted.

Fortum Group subsidiaries are disclosed in Note 40 Group companies by segment. Group holding % for companies owned via subsidiaries is based on the Fortum Corporation ownership % in the direct subsidiary times the ownership % of the direct subsidiary in the indirect subsidiary, associate or joint venture.

### 1.3.2 Associates

Associated companies are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. The Group's interests in associated companies are accounted for using the equity method of accounting. See Note 19 Participations in associated companies and joint ventures.

### 1.3.3 Joint ventures

Joint ventures are arrangements in which the Group has joint control. Joint ventures are accounted for using the equity method of accounting. See Note 19 Participations in associated companies and joint ventures.

## 1.4 Measures for performance

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, Comparable EBITDA and Comparable return on net assets (RONA) 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, Comparable EBITDA and Comparable return on net assets (RONA) and disclosed separately in Fortum's consolidated income statement to support the transparency of underlying business performance when comparing results between periods.

Items classified as Items affecting comparability include accounting effects from valuation according to IFRS Accounting Standards not arising from the performance of business operations. Such items include fair value changes of financial derivatives hedging future cash flows where hedge accounting is not applied and fair value changes of physical contracts accounted for as derivatives according to IFRS 9, Financial Instruments.

Further, business performance of operations cannot be compared from one period to another without adjusting for one-time items relating to capital gains and other related items, such as transaction costs arising from acquisitions; impacts from acquisition accounting; significant impairments and reversals of impairments as well as other miscellaneous non-operating items, such as restructuring and cost management expenses. Such items are also treated as Items affecting comparability.

According to IFRS 3, Business Combinations, transaction costs related to the acquisitions of subsidiary shares are recognised in the consolidated income statement. Such costs are presented in Capital gains and other within Items affecting comparability.

See Note 7 Comparable operating profit and comparable net profit. Definitions are presented in the section Definitions of key figures.

Fortum's long-term financial target for capital structure measure is Financial net debt to comparable EBITDA. See Note 5 Capital risk management.

## 1.5 Foreign currency transactions and translation

### 1.5.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in euros, which is the company's functional and presentation currency.

### 1.5.2 Transactions and balances

Transactions denominated in foreign currencies are translated using the exchange rate at the date of transaction. Receivables and liabilities denominated in foreign currencies outstanding on the balance sheet date are translated using the balance sheet date exchange rate. Exchange rate differences are recognised in the consolidated income statement. Net exchange differences relating to financing components are recognised in the consolidated income statement, except when deferred to equity as qualifying cash flow hedges. Translation differences on financial assets through other comprehensive income are included in Other equity components in equity.

### 1.5.3 Group companies

Income statement and cash flow statement of subsidiaries, whose functional currencies are not euro, are translated into euro using the average exchange rates; whereas the balance sheets of such subsidiaries are translated into euro using the closing exchange rates on the balance sheet date. On consolidation, exchange rate differences arising from the translation of net investment in foreign entities and currency instruments designated as hedges for such investments, are taken to equity. When a foreign operation is sold or control otherwise lost, such exchange differences are recognised in the consolidated income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at closing rate.

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 | | Balance sheet date rate | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Norway (NOK) | 11.7173 | 11.6290 | 11.8430 | 11.7950 |
| Poland (PLN) | 4.2397 | 4.3058 | 4.2210 | 4.2750 |
| Sweden (SEK) | 11.0663 | 11.4325 | 10.8215 | 11.4590 |

### 1.5.4 Associates and joint ventures

Associates and joint ventures, whose measurement and reporting currencies are not euro, are translated into the Group reporting currency using the same principles as for subsidiaries.

## 1.6 Other material accounting policies

Fortum describes other material accounting policies in conjunction with the relevant disclosure information. The table below lists material accounting policies and the financial statement note where they are presented, as well as the relevant IFRS Accounting Standard.

| Accounting policy | Note | IFRS Accounting Standard |
|---|---|---|
| Subsidiaries | 3 Acquisitions and disposals | IFRS 3, IFRS 10 |
| Financial instruments | 4 Financial risk management<br>15 Financial assets and liabilities by categories<br>16 Financial assets and liabilities by fair value hierarchy | IAS 32, IFRS 7, IFRS 9, IFRS 13 |
| Segment reporting | 6 Revenue and reportable segments | IFRS 8, IFRS 15 |
| Revenue recognition | 6 Revenue and reportable segments<br>24 Trade and other receivables | IFRS 15 |
| Share-based payments | 10 Employee benefits and Board remuneration | IFRS 2 |
| Earnings per share | 13 Earnings and dividend per share | IAS 33 |
| Other shares and participations | 15 Financial assets and liabilities by categories<br>21 Other non-current assets | IAS 32, IAS 36, IFRS 9 |
| Fair value measurement | 16 Financial assets and liabilities by fair value hierarchy | IFRS 13 |
| Intangible assets | 17 Intangible assets | IAS 38 |
| Tangible assets | 18 Property, plant and equipment and right-of-use assets | IAS 16 |
| Joint arrangements | 19 Participations in associated companies and joint ventures | IFRS 11, IAS 28, IFRS 12 |
| Investments in associates | 19 Participations in associated companies and joint ventures | IAS 28, IFRS 12 |
| Impairment testing | 20 Impairment testing | IAS 36 |
| Inventories | 23 Inventories | IAS 2 |
| Trade receivables | 24 Trade and other receivables | IFRS 9 |
| Liquid funds | 25 Liquid funds | IAS 7 |
| Borrowings | 27 Interest-bearing liabilities | IFRS 9 |
| Income taxes | 28 Income taxes on the balance sheet | IAS 12 |
| Assets and liabilities related to decommissioning of nuclear power plants and disposal of spent fuel | 29 Nuclear-related assets and liabilities | IFRIC 5 |
| Provisions | 31 Other provisions | IAS 37 |
| Pensions and similar obligations | 32 Pension obligations | IAS 19 |
| Leases | 34 Leases | IFRS 16 |
| Contingent liabilities | 36 Pledged assets and contingent liabilities | IAS 37 |

## 1.7 New accounting standards, amendments and interpretations

New accounting standards, amendments and interpretations effective from 1 January 2025 did not have a material impact on Fortum's consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements. IFRS 18 will change financial statement presentation and disclosures, but will not impact the recognition or measurement of items. The effective date is 1 January 2027, subject to EU endorsement. Fortum will apply IFRS 18 from the effective date. Fortum continues to follow the developing guidance and analyse the impact of the new standard. The standard is expected mainly to have an impact on the presentation of the consolidated income statement and the consolidated cash flow statement.

The consolidated income statement will include separate categories for operating, investing, financing, income taxes and discontinued operations. Although the adoption of IFRS 18 will not have an impact on net profit, the reorganisation of income and expense items on the consolidated income statement may have some impact on operating profit. New subtotals will be presented separately for investing and financing items, and some items currently presented in finance costs – net may need to be reclassified to the operating category. The consolidated cash flow statement presentation will change so that interest and dividends paid/received that are currently presented in operating cash flows will be included in financing/investing cash flows. The new standard also requires disclosure of ‘management defined performance measures’ in the notes to the consolidated financial statements, similar to what Fortum already presents for alternative performance measures.

Other new accounting standards, amendments and interpretations issued by the balance sheet date and effective from 1 January 2026 or later are not expected to have a material impact on Fortum’s consolidated financial statements.

# 2 Critical accounting estimates and judgements

The preparation of consolidated financial statements according to IFRS Accounting Standards requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities existing at the balance sheet date, as well as the reported amounts of revenues and expenses during the reporting period. Management also exercises judgement when applying the IFRS Accounting Standards and group's accounting policies.

Estimates and assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances based on, for instance, the analysis of energy policy and the regulatory environment. These factors can affect the carrying amounts of assets and liabilities, the amount and timing of earnings recognition, as well as cash flows.

The table below lists the areas where management's accounting estimates and judgements are most critical to reported results and financial position; as well as where to find more information on the areas of critical accounting estimate and judgement.

| Critical accounting estimates and judgements | Note |
|---|---|
| Assumptions and estimates used in determining the valuation of certain financial instruments | 15 Financial assets and liabilities by categories<br>16 Financial assets and liabilities by fair value hierarchy |
| Judgement used when determining loss of control of subsidiaries | 2 Critical accounting estimates and judgements<br>3 Acquisitions and disposals |
| Assumptions and estimates used in determining the fair values and useful lives for intangible assets and property, plant and equipment | 17 Intangible assets<br>18 Property, plant and equipment and right-of-use assets |
| Assumptions, estimates and judgements made related to impairment testing of property, plant and equipment and intangible assets as well as associated companies and joint ventures | 17 Intangible assets<br>18 Property, plant and equipment and right-of-use assets<br>19 Participations in associated companies and joint ventures<br>20 Impairment testing |
| Judgement used when assessing the nature of Fortum's interest in its investees, when considering the classification of Fortum's joint arrangements, as well as commitments arising from these arrangements | 19 Participations in associated companies and joint ventures |
| Assumptions and estimates used for the recognition and measurement of deferred tax assets | 28 Income taxes on the balance sheet |
| Assumptions and estimates used to determine long-term cash flow forecasts of estimated costs for provision related to nuclear production | 29 Nuclear-related assets and liabilities |

## 2.1 Macroeconomic environment

Fortum operates in a global business environment, with main operational focus in the Nordic countries, and is therefore exposed to political and other risks which affect the macroeconomic development and consumer behaviour in Fortum's markets. The operating environment continues to be impacted by strong geopolitical tensions, including US trade policies, which cause uncertainty and turbulence in the general economic outlook and may affect international production chains and commodity markets.

The global landscape has experienced a further escalation of conflict and increasing geopolitical uncertainty. The heightened uncertainty has 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. 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 current and future businesses. The main impacts include the events that led to deconsolidation of Fortum's Russia segment in 2023. See Note 3 Acquisitions and disposals.

The market volatility and uncertainty increases the estimation uncertainty and management judgement especially for the cash flows and discount rates applied in impairment testing of non-current assets, discounting of the provisions and obligations as well as valuation of deferred tax assets and expected credit losses.

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.

## 2.2 Climate-related matters

Fortum's power generation in the Nordic countries is mainly based on low-carbon hydro and nuclear power. A minor share of Fortum's power generation is currently based on onshore wind. Fortum also has production and distribution of district heating and cooling in Finland and Poland. Heat is mainly produced at energy-efficient combined heat and power (CHP) plants. These businesses are complemented by the electricity and gas retail business in Poland and the battery recycling business. In addition, Fortum is a large electricity retailer in the Nordics.

Main climate-related risks facing Fortum include transition risks, such as changes in legislation, impact on supply or demand, and reputation; as well as physical risks, such as those arising from extreme weather conditions or changes in long-term weather patterns. For instance, floods will impact the optimal operation of hydro power plants. Fortum is systematically reducing risks related to dam safety through long-term investments to secure the discharge capacity in extreme flood situations. Legislation risk relates to both EU and national climate-related policies and regulation.

The impacts of climate change are reflected in the consolidated financial statements generally when specific actions, such as new investments to transition to low-carbon production or to mitigate climate change have been approved; or when climate-related risks have materialised.

Fortum's transition plan for climate change includes actions to reduce scope 1, 2 and 3 emissions and to increase low-carbon power generation capacity.

The biggest GHG emission reduction lever for Scope 1 emissions is the exit of coal use in heat and power production by the end of 2027. See Note 18 Property, plant and equipment and right-of-use assets for impact to consolidated financial statements. The main lever for reducing Scope 2 emissions is the purchasing of certified (GoO) renewable or nuclear-based electricity for own use and Scope 3 emissions will be reduced through supply-chain decarbonisation. Scope 2 and Scope 3 related actions have not had a material impact on the consolidated financial statements in 2025 or 2024.

To increase low-carbon power generation capacity, Fortum targets to build a ready-to-build pipeline of new wind and solar plants and to modernise existing nuclear and hydropower plants. These investments are capitalised in property, plant and equipment. See Note 18 Property, plant and equipment and right-of-use assets.

Climate-related risks have not had a material impact on consolidated financial statements in 2025 or 2024.

The following financial statement items are most relevant when considering the impact of climate-related matters:

- Impairment testing: approved actions towards Fortum's climate risks and targets are reflected in the assumptions used in the impairment testing, as appropriate. See Note 20 Impairment testing.
- Property, plant and equipment: economic lives and book values of property, plant and equipment reflect approved actions towards Fortum's climate-related risks and targets. See Note 18 Property, plant and equipment and right-of-use assets.
- Nuclear provisions include future costs for decommissioning nuclear power plants, and the appropriate treatment of spent fuel. See Note 29 Nuclear-related assets and liabilities.

For accounting treatment applied to emission allowances and green certificates, see Note 23 Inventories.

# 3 Acquisitions and disposals

## ACCOUNTING POLICIES

### SUBSIDIARIES

Acquisition of subsidiaries are accounted for using the acquisition method. The consideration transferred is measured as the aggregate of acquisition date fair values of assets transferred and liabilities assumed. Identifiable assets acquired and liabilities assumed are measured initially at acquisition date fair values, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. See Note 1.3 Principles for consolidation.

## CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS: ASSUMPTIONS REGARDING LOSS OF CONTROL

Fortum reassesses if it controls its subsidiaries if facts and circumstances indicate that there are changes to the three elements of control: power over the investee, exposure or rights to variable returns, or the ability to use power to affect the amount of returns. Therefore, the date on which control over a subsidiary is lost may require management judgment.

### DECONSOLIDATION OF RUSSIA SEGMENT

On 25 April 2023, Fortum's subsidiary PAO Fortum (current name PAO Forward Energo) was put under asset management in accordance with a Russian Presidential decree No. 302 which introduced a 'temporary' asset management to assets owned by certain foreign entities in Russia. On 26 April 2023, this caused the forced replacement of the company's CEO and the Russian authorities seized control of Fortum's assets in Russia. The decree and the subsequent forced nomination of the external CEO to PAO Fortum triggered a control assessment as required by IFRS 10 Consolidated financial statements. Based on the assessment, Fortum's rights are no longer substantive as it does not have practical ability to use control over its Russian operations. Consequently, control was lost on 25 April 2023 and the Russia segment was deconsolidated in 2023.

## 3.1 Acquisitions

| EUR million | 2025 | 2024 |
|---|---|---|
| Gross investments in shares in subsidiary companies | 78 | 0 |
| Gross investments in shares in associated companies and joint ventures | 27 | 19 |
| Gross investments in other shares | 12 | 14 |
| **Total** | **117** | **33** |

## Acquisitions during 2025

On 28 November 2025, Fortum completed the acquisition of a project development portfolio from the German renewables developer and constructor ABO Energy. The acquired portfolio includes approximately 4.4 GW of onshore wind development projects at various stages in Finland. The purchase price of approximately EUR 40 million on a debt-and-cash-free basis was paid at closing (the portfolio includes both acquisition of subsidiary shares and assets). In addition to the purchase price, the transaction includes earn-outs which will be paid subject to projects successfully reaching a final investment decision in the future. The estimated total purchase price including future earn-outs is approximately EUR 61 million. The portfolio is reported in Fortum's Generation segment.

On 30 June 2025, Fortum completed the acquisition of the Polish electricity solutions provider Orange Energia Sp. z o.o. on a cash and debt-free basis for a maximum of approximately PLN 120 million (EUR 28 million). Approximately PLN 90 million (EUR 21 million) was paid in cash. According to an agreed earn-out, the remaining amount will be settled by the beginning of 2029 based on achieved targets. Orange Energia is reported in Fortum's Consumer Solutions segment's Comparable Operating Profit from the beginning of the third quarter of 2025.

In the first quarter of 2025, Fortum acquired 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 total investment of EUR 16 million include earn-outs that are subject to projects successfully reaching a final investment decision in the future. The portfolio is reported in Fortum's Generation segment.

| EUR million | Generation | Consumer Solutions | Total |
|---|---|---|---|
| Considerations paid in cash | 29 | 21 | **50** |
| Unpaid considerations | 29 | 0 | **29** |
| **Total consideration** | **58** | **21** | **79** |
| Acquired net assets | 58 | 16 | **74** |
| **Goodwill** | **0** | **5** | **5** |

| EUR million | Generation | Consumer Solutions | Total |
|---|---|---|---|
| Purchase considerations paid in cash | 29 | 21 | **50** |
| Cash and cash equivalents in acquired subsidiaries | 0 | -1 | **-2** |
| **Cash outflow in acquisitions** | **28** | **20** | **49** |
| Unpaid considerations | 29 | 0 | **29** |
| **Total gross investments in acquired subsidiaries** | **57** | **20** | **78** |

## Acquisitions during 2024

There were no material acquisitions in 2024.

# 3.2 Disposals

| EUR million | 2025 | 2024 |
|---|---|---|
| Gross divestments of shares in subsidiary companies | -3 | 747 |
| Gross divestments of shares in associated companies and joint ventures | 0 | 38 |
| **Total** | **-3** | **785** |

## 3.2.1 Disposals of subsidiary companies

### Disposals during 2025

On 26 June 2025, Fortum completed the divestment of its renewables development portfolio in India to Hexa Climate Solutions Pvt Ltd. The transaction did not have a material cash flow impact. Impairment charges of EUR 21 million related to assets in India are included in Items Affecting Comparability in the Generation segment's results in 2025.

### Disposals during 2024

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 2024. The net cash flow received from the transaction was approximately EUR 720 million.

## 3.2.2 Other disposals

On 23 September 2024, Fortum announced that it had signed an agreement to sell its 37.4% ownership in Chempolis Oy. The transaction did not have a 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 2024 results. The total proceeds received was EUR 33 million.

# 4 Financial risk management

Fortum's risk management framework, objectives, organisation and processes as well as a description of strategic, sustainability, financial and operational risks can be found in the Risk management section of the Operating and financial review (OFR).

## 4.1 Commodity market and fuel risks

Fortum's business is exposed to fluctuations in prices and availability of commodities used in the production, transmission and sales of energy products. The main exposure is toward electricity prices and volumes, prices of emissions, and price and availability of fuels. Fortum hedges its exposure to commodity market risks in order to improve the predictability of the future result by reducing volatility in earnings while ensuring cash flow risk is at an acceptable level.

Risk management for commodity hedging activities is based on general standards in the industry and involves the segregation of duties, as well as daily calculation, monitoring and reporting of results, positions and risks. Controls are in place to ensure exposures are kept within approved limits and mandates. Hedging involves the use of derivative financial instruments, as well as fixed-price physical delivery contracts.

### 4.1.1 Electricity price and volume risk

The exposure to Nordic electricity prices and normal volume fluctuations (e.g. due to weather-driven demand and supply changes) is the largest commodity market risk exposure for Fortum in terms of impact to earnings. The exposure arising from outright power production (hydro, nuclear, and wind production assets) is hedged by entering into electricity derivatives contracts on exchanges such as Nasdaq Commodities or the European Energy Exchange, as well as directly with counterparties active in the energy and financial markets. The main objective of hedging is to reduce the effect of electricity price volatility in earnings while ensuring the cash flow risk is at an acceptable level, and to increase the predictability of future results. The Generation segment's hedging strategies cover several years in the short-, medium-, and long-term. These hedging strategies are executed within approved mandates and are continuously evaluated as electricity and other commodity market prices, the hydrological balance and other relevant parameters change.

The Generation segment's hedging for power sales is performed in EUR on a Nordic level covering both Finland and Sweden. The currency component of these hedges in the Swedish entity is currently not hedged. Generation segment's sensitivity to the Nordic electricity market price is dependent on the hedge level for a given time period. As per 31 December 2025, approximately 75% of the Generation segment's estimated Nordic power sales volume was hedged for the calendar year 2026 with a price of 41 EUR/MWh and approximately 55% for the calendar year 2027 with a price of 40 EUR/MWh.

### 4.1.2 Commodity derivatives

The table below discloses Fortum Group's commodity derivatives for which hedge accounting according to IFRS 9 is applied. The fair values represent the values disclosed on the balance sheet. See also Note 15 Financial assets and liabilities by categories for accounting principles and Note 16 Financial assets and liabilities by fair value hierarchy for basis of fair value estimations.

**Commodity derivatives subject to hedge accounting 2025**

| | Volume, TWh | | | | Fair value, EUR million | | |
|---|---|---|---|---|---|---|---|
| | Under 1 year | 1–5 years | Over 5 years | Total | Positive | Negative | Net |
| Electricity derivatives | 19 | 28 | 2 | 49 | 202 | 196 | 7 |
| Gas derivatives | 4 | 1 | 0 | 6 | 0 | 0 | 0 |
| Netting against commodity exchanges [1] | | | | | -35 | -35 | 0 |
| **Total** | | | | | **167** | **161** | **7** |

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

**Commodity derivatives subject to hedge accounting 2024**

| | Volume, TWh | | | | Fair value, EUR million | | |
|---|---|---|---|---|---|---|---|
| | Under 1 year | 1–5 years | Over 5 years | Total | Positive | Negative | Net |
| Electricity derivatives | 20 | 21 | 2 | 43 | 445 | 344 | 101 |
| Gas derivatives | 3 | 1 | 0 | 4 | 26 | 7 | 18 |
| Netting against commodity exchanges [1] | | | | | -128 | -128 | 0 |
| **Total** | | | | | **343** | **224** | **120** |

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

### 4.1.3 Sensitivity arising from electricity derivatives

The table below presents how a 1 EUR/MWh change in the electricity forward and futures quotations for the period Fortum has derivatives would impact Fortum's profit before income tax and equity. Hedge accounting is applied to most of the hedging strategies using financial commodity derivatives, with impact of the market price changes of derivatives recognised in equity.

Impacts are calculated based on the electricity position as of 31 December. Positions are actively managed in the day-to-day business operations and therefore the sensitivities vary from time to time. Sensitivity analysis includes only the market risks arising from derivatives i.e. the underlying physical electricity sales and purchases are not included.

Sensitivity is calculated with the assumption that electricity forward and futures quotations would change 1 EUR/MWh for the period Fortum has derivatives. Different price change assumptions can be used to assess the impact on sensitivity analysis analogously, relative to 1 EUR/MWh change presented in the table below.

**Sensitivity analysis**

| +/- 1 EUR/MWh change in electricity forward and futures quotations, EUR million | Effect | 2025 | 2024 |
|---|---|---|---|
| Effect on profit before income tax | -/+ | -1 | 5 |
| Effect on equity | -/+ | 49 | 43 |

## 4.2 Liquidity and refinancing risk

Fortum's business is exposed to liquidity and refinancing risks primarily through the need to finance the Group's business operations including margining and collaterals issued for hedging activities. Trading derivative financial instruments exposes the Group to a liquidity risk associated with having to provide financial collaterals like cash or bank guarantees. A downgrade in Fortum's rating, especially to below investment grade, could trigger counterparties' right to demand additional collateral, which would need to be provided via cash or bank guarantees.

The derivative instruments used by the Group are traded via exchanges and over-the-counter with selected counterparties based on bilateral agreements. Trading through exchanges requires the exchange of cash (margining payments) with a clearing house or clearing bank to cover market risk in the case of a member default and the subsequent close-out of its portfolio. Under credit support annex agreements some foreign exchange- and interest rate hedges are collateralized and mark to market changes are impacting liquidity immediately. For non-collateralized foreign exchange deals the cash flow impact is realized when deals are maturing and rolled, typically during next 12-month period. Trading over-the-counter 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. Margin receivables from commodity hedging and foreign exchange and interest rate derivatives under Credit Support Annex agreements at balance sheet date were EUR 179 million (2024: 205) and margin liabilities EUR 55 million (2024: 93).

The exposure to margining requirements, termination payments, working capital needs and contingent collateral outflows is continuously assessed and monitored so that adequate liquidity is available to cover expected future cash collateral required for margining. There are strict limits in place which ensure that there are sufficient liquid funds and credit lines available to cover margining requirements and termination payments also in extreme market scenarios.

Liquidity and refinancing risks are managed through a combination of cash positions and committed credit and other guarantee facility agreements with the core banks. The maturity profile of loans is monitored to ensure that there is at all times access to adequate liquidity for investments, loan maturities and margining required for commodity trading and hedging activities. Stable maturity profile and interest rate risk profile are reducing the refinancing risk both in terms of availability and average price of loan portfolio.

Fortum's business is capital intensive and it has a diversified loan portfolio. Long-term financing is primarily raised by issuing bonds under Fortum Corporation's Euro Medium Term Note programme (EMTN), as well as through bilateral and syndicated loan facilities from a variety of different financial institutions.

In Fortum, financing is primarily raised on parent company level and funds are distributed internally through various internal financing arrangements.

On 31 December 2025, 89% (2024: 90%) of the Group's total external loans was raised by the parent company Fortum Corporation, and remaining 11% by subsidiaries (2024: 10%).

At the end of 2025, financial net debt was EUR 1,479 million (2024: 367).

On 31 December 2025, loan maturities for the coming twelve-month period amounted to EUR 1,133 million (2024: 476) which include EUR 750 million bond and EUR 17 million loans from financial institutions and EUR 5 million commercial paper debt. Maturities in 2026 also include EUR 360 million loans with no contractual due date.

At the end of the reporting period, the Group's liquid funds totalled EUR 2,903 million (2024: 4,136).

### Maturity of loans

| EUR million | 2025 |
|---|---|
| 2026 | 1,133 |
| 2027 | 15 |
| 2028 | 520 |
| 2029 | 760 |
| 2030 | 313 |
| 2031 and later | 1,899 |
| **Total** | **4,641** |

For more information on loans, see Note 27 Interest-bearing liabilities.

### Liquid funds, major credit lines and debt programmes 2025

| EUR million | |
|---|---|
| Liquid funds | 2,903 |

| Committed credit lines | Total facility | Available amount | Drawn amount |
|---|---|---|---|
| Fortum Corporation, EUR 2,206 million syndicated credit facility | 2,206 | 2,206 | 0 |
| Fortum Corporation, EUR 800 million bilateral credit facility | 800 | 800 | 0 |
| Fortum Corporation, EUR 800 million bilateral credit facility | 800 | 800 | 0 |
| Fortum Corporation, bilateral overdraft facilities | 100 | 100 | 0 |
| **Total** [1)] | **3,906** | **3,906** | **0** |

1) Additionally, Fortum has uncommitted commercial paper programmes in Finland and Sweden, uncommitted margin facilities and uncommitted EMTN programme. From the commercial paper programmes EUR 5 million, from the margin facilities EUR 330 million and from the EMTN programme EUR 2,750 million bonds were outstanding at the end of the reporting period.

## Liquid funds, major credit lines and debt programmes 2024

| EUR million | |
|---|---|
| Liquid funds | 4,136 |

| Committed credit lines | Total facility | Available amount | Drawn amount |
|---|---|---|---|
| Fortum Corporation, EUR 2,400 million syndicated credit facility | 2,400 | 2,400 | 0 |
| Fortum Corporation, EUR 800 million bilateral credit facility | 800 | 800 | 0 |
| Fortum Corporation, EUR 800 million bilateral credit facility | 800 | 800 | 0 |
| Fortum Corporation, bilateral overdraft facilities | 100 | 100 | 0 |
| **Total** [1)] | **4,100** | **4,100** | **0** |

1) Additionally, Fortum has uncommitted commercial paper programmes in Finland and Sweden, uncommitted margin facility and uncommitted EMTN programme. From the commercial paper programmes EUR 105 million, from the margin facility EUR 282 million and from the EMTN programme EUR 2,755 million bonds were outstanding at the end of the reporting period.

## Maturity analysis of financial liabilities and derivatives

Interest-bearing loans and lease liabilities are the contractual undiscounted cash flows including principal and interest payments. Trade payables equal the carrying amount as these are due within 12 months. For gross settled derivatives, the contractual nominal amounts are presented below and for net settled interest rate swaps the net cash outflows are presented in the same table.

| | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| EUR million | Under 1 year | 1–5 years | Over 5 years | Total | Under 1 year | 1–5 years | Over 5 years | Total |
| **Non-derivatives** | | | | | | | | |
| Interest-bearing loans, principal and interest payments | 1,274 | 2,025 | 2,324 | 5,623 | 627 | 2,815 | 2,300 | 5,740 |
| Lease liabilities | 20 | 48 | 59 | 126 | 18 | 45 | 49 | 112 |
| Trade payables | 322 | | | 322 | 361 | | | 361 |
| **Total non-derivatives** | **1,616** | **2,073** | **2,382** | **6,072** | **1,006** | **2,860** | **2,349** | **6,213** |
| | | | | | | | | |
| **Derivatives** | | | | | | | | |
| Foreign exchange derivatives and cross currency swaps | | | | | | | | |
| Cash inflow (-) | -4,167 | -345 | 0 | -4,512 | -5,632 | -499 | 0 | -6,131 |
| Cash outflow | 4,247 | 357 | 0 | 4,603 | 5,636 | 492 | 0 | 6,128 |
| Interest rate swap liabilities (net settled) | 10 | 23 | 0 | 33 | 27 | 29 | 0 | 56 |
| Commodity derivatives | | | | | | | | |
| Cash inflow (-) | -603 | -337 | -26 | -965 | -1,096 | -425 | -25 | -1,546 |
| Cash outflow | 1,628 | 524 | 18 | 2,170 | 2,021 | 486 | 20 | 2,526 |
| **Total derivatives** | **1,115** | **222** | **-8** | **1,329** | **956** | **83** | **-6** | **1,034** |

Commodity derivatives traded through exchanges require financial collaterals (like cash or securities). Fortum has collateral arrangements towards Power Exchanges to cover initial margin payments of commodity derivatives. Margin receivables are cash/securities posted to exchange to cover clearing house's market risk (initial margin) against a default of a member and negative mark to market values of futures settled through the exchange between counterparties (variation margin) reducing the counterparty risk versus bilateral trades. These cash collaterals are constantly fluctuating according to commodity market movements, i.e. if the prices will increase/decrease, the negative/positive fair value of the commodity derivatives traded through exchanges need to be covered immediately by posting/receiving cash collateral. Margin receivables (cash paid) from hedging activities at balance sheet date were EUR 179 million (2024: 205) and margin liabilities (cash received) EUR 55 million (2024: 93).

## 4.3 Interest rate risk and currency risk

### 4.3.1 Interest rate risk

Fortum is exposed to cash flow risk from changes in interest rates mainly from interest-bearing liabilities, liquid funds and derivatives on a fixed- and floating rate basis.

Fortum manages the interest rate exposure through a weighted average time to interest rate repricing target of Fortum's total gross interest-bearing loans (excluding lease liabilities and provisions), and cash flow at risk limit of the net loan portfolio. Fortum uses different types of financing contracts and interest rate derivative contracts to manage the interest rate exposure, and evaluates and develops the strategies in order to find an optimal balance between risk and financing cost.

On 31 December 2025, the weighted average time to interest rate repricing of Fortum's loan portfolio (including derivatives) was 1.6 years (2024: 2,0). Approximately 65% (2024: 58%) of the loan portfolio was on a floating rate basis, or fixed rate loans maturing within the next 12-month period. The flow risk, measured as 1% increase in the yield curve in all the tenors and currencies for Fortum's net loan portfolio for the coming 12 months, was EUR 6 million positive (2024: 22 positive).

Hedge accounting is used for majority of interest rate derivatives which Fortum is using to manage loan portfolio. Mainly fair value hedge accounting is applied and thus changes in interest rates could have only minor impact in consolidated income statement or hedging reserve as the offsetting fair value of bonds is also recognised to consolidated income statement. The impact of +1%/ -1% interest rate change from interest rate derivatives was EUR +5 / -5 million to equity (2024: +7 / -7) and there was no significant impact to consolidated income statement.

The average interest rate for the total loan portfolio, including derivatives in finance costs, was 3.1% at the balance sheet date (2024: 3.8%). The average interest rate of EUR loans was 3.0% (2024: 3.6%). The average interest rate for the liquid funds was 2.1% at the balance sheet date (2024: 3.0%).

### 4.3.2 Currency risk

Fortum's policy is to hedge major transaction exposures on a local level in the reporting currency of each legal entity in order to avoid exchange differences in the consolidated income statement. An exception is Generation segment's hedging of power sales in Sweden where the currency component is not hedged. Derivatives are used to hedge existing foreign exchange risks, not for proprietary trading.

**Treasury transaction exposure**

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| EUR million | Net Position | Hedge | Open | Net Position | Hedge | Open |
| SEK | 3,436 | -3,439 | -4 | 4,285 | -4,283 | 1 |
| PLN | 441 | -441 | 0 | 511 | -511 | 0 |
| NOK | 79 | -82 | -2 | 447 | -448 | -1 |
| USD | -77 | 77 | 0 | -96 | 96 | -1 |
| Other | 62 | -61 | 2 | 56 | -55 | 1 |
| **Total** | **3,941** | **-3,946** | **-4** | **5,202** | **-5,201** | **1** |

Fortum has cash flows, assets and liabilities in currencies other than EUR and is therefore exposed to fluctuations in exchange rates. Currency exposures are divided into transaction exposures (foreign exchange exposures relating to contracted or estimated cash flows and balance sheet items where changes in exchange rates will have an impact on earnings and cash flows) and translation exposure (foreign exchange exposure that arises when profits and balance sheets in foreign entities are consolidated).

Transaction exposures arise mainly from physical and financial trading of commodities, existing and new investments, external and internal financing and shareholder loans. Contracted cash flow exposures are hedged to reduce volatility in future cash flows. These hedges normally consist of currency derivative contracts, which are matched against the underlying future cash flow according to maturity. Fortum has currency cash flow hedges both with and without hedge accounting treatment under IFRS Accounting Standards. Those currency cash flow hedges for which hedge accounting is not applied are mainly hedging commodity derivatives and create volatility in operating profit. There was no significant ineffectiveness arising from cash flow hedges in 2025.

As of 31 December 2025, had EUR been 5% weaker/stronger against SEK on closing date, then the impact from loans, receivables and derivatives to consolidated income statement would have been EUR -15/+15 million (2024: -14/+14) and EUR -3/+3 million against NOK (2024: -4/+4). Impact to Group's equity from 5% weaker/stronger EUR against PLN would have been EUR -6/+6 million (2024: -5/+5) and EUR +4/-4 million against USD (2024: +5/-5). Impact of other currencies to income statement and equity are insignificant.

Translation exposure position includes net investments in foreign subsidiaries and associated companies. Translation exposures in Fortum are generally not hedged as the majority of these assets are considered to be long-term strategic holdings. In Fortum, this means mainly entities operating in Sweden, Norway and Poland, whose base currency is not euro.

Exchange differences arising from the translation of the net investment in foreign entities are taken to equity. The net effect of exchange differences on equity attributable to equity holders mainly from SEK and NOK was EUR -959 million (2024: -1,010). For total translation differences see Consolidated statement of changes in total equity.

### Interest rate and currency derivatives by instrument 2025

| EUR million | Notional amount Remaining lifetimes: Under 1 year | 1–5 years | Over 5 years | Total | Fair value: Positive | Negative | Net |
|---|---|---|---|---|---|---|---|
| **Hedge accounting** | | | | | | | |
| Foreign exchange derivatives | 150 | 119 | 0 | 270 | 1 | 11 | -10 |
| Interest rate swaps | 725 | 1,700 | 450 | 2,875 | 60 | 31 | 28 |
| Cross currency swaps | 116 | 0 | 0 | 116 | 1 | 5 | -4 |
| **Non-hedge accounting** | | | | | | | |
| Foreign exchange derivatives | 3,901 | 226 | 0 | 4,127 | 0 | 78 | -78 |
| Interest rate swaps | 14 | 0 | 0 | 14 | 0 | 0 | 0 |
| Cross currency swaps | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **4,906** | **2,046** | **450** | **7,402** | **62** | **126** | **-64** |
| Of which long-term | | | | | 59 | 43 | 17 |
| Short-term | | | | | 2 | 83 | -81 |

### Interest rate and currency derivatives by instrument 2024

| EUR million | Notional amount Remaining lifetimes: Under 1 year | 1–5 years | Over 5 years | Total | Fair value: Positive | Negative | Net |
|---|---|---|---|---|---|---|---|
| **Hedge accounting** | | | | | | | |
| Foreign exchange derivatives | 172 | 124 | 0 | 296 | 6 | 12 | -6 |
| Interest rate swaps | 0 | 2,425 | 450 | 2,875 | 95 | 54 | 40 |
| Cross currency swaps | 0 | 116 | 0 | 116 | 3 | 1 | 2 |
| **Non-hedge accounting** | | | | | | | |
| Foreign exchange derivatives | 5,430 | 251 | 0 | 5,682 | 28 | 22 | 6 |
| Interest rate swaps | 0 | 13 | 0 | 13 | 0 | 0 | 0 |
| Cross currency swaps | 24 | 0 | 0 | 24 | 2 | 0 | 2 |
| **Total** | **5,625** | **2,930** | **450** | **9,005** | **134** | **89** | **45** |
| Of which long-term | | | | | 105 | 56 | 48 |
| Short-term | | | | | 30 | 32 | -3 |

## 4.4 Credit risk

Fortum is exposed to counterparty risk whenever there is a contractual arrangement with an external counterparty.

Credit risk exposures related to financial derivative instruments are often volatile and include both the replacement risk and the settlement risk. Exchange-traded derivatives are cleared through central clearing parties (CCPs) or through clearing banks while over-the-counter (OTC) derivative contracts are concluded directly with a number of different counterparties, including energy wholesalers and retailers, utilities, trading companies, energy companies, industrial end-users and financial institutions active in the financial and energy markets. Due to Fortum's net short position in Nordic power hedges credit exposure tends to increase with the value of hedges if Nordic power prices decrease. Currency and interest rate derivative counterparties are limited to investment grade banks and financial institutions. International Swaps and Derivatives Association (ISDA) Master agreements, which include netting clauses and in some cases Credit Support Annex agreements, are in place with most of these counterparties. The majority of commodity derivative counterparties have investment-grade or comparable ratings. Master agreements, such as those published by ISDA and European Federation of Energy Traders (EFET), which include netting clauses, are in place with the majority of the counterparties.

Due to the financing needs and management of liquidity, Fortum has counterparty credit exposure towards a number of banks and financial institutions in the form of deposits and towards corporate issuers of commercial papers, mainly in the Nordic market. The majority of the exposure is towards Fortum's key relationship banks, which are highly creditworthy institutions.

Credit risk related to customers, suppliers and trading partners is spread across a wide range of industrial counterparties, energy companies, government and municipal entities, utilities, small businesses, housing associations and private individuals over a range of geographic regions. The majority of exposure is in the form of derivative fair values and trade receivables from the sale of electricity, gas and heat in the Nordic and Polish market.

### 4.4.1 Credit quality of major financial assets

Fortum recognises loss allowance for expected credit losses (ECL) on financial assets classified to amortised cost category at each reporting date. The impairment model is applied to financial assets such as trade receivables, deposits, commercial papers, and loan and other interest-bearing receivables. See Note 24 Trade and other receivables for details on expected credit losses recognised for trade receivables.

Expected credit loss is calculated on an individual counterparty basis for deposits, commercial papers and loan and other interest-bearing receivables. No impairment loss is recognised on cash in bank accounts since expected credit loss is immaterial due to low risk of default. The risk of default is evaluated at each reporting date based on credit ratings to determine if credit risk has increased significantly. The value of collateral and other measures taken to reduce credit risk (e.g. credit default insurance) is included in the calculation of expected credit losses in the "loss given default" ratio.

A financial asset with an investment-grade rating is assumed to have low credit risk. A change of credit rating from investment to non-investment grade constitutes a significant increase in credit risk. If the credit risk on the financial asset has not increased significantly since the initial recognition, loss allowance equals to 12 month ECL. If the credit risk on the

financial asset has increased significantly since initial recognition, loss allowance equals to the lifetime expected credit losses.

The loss allowance for interest-bearing receivables totalled EUR 27 million on 31 December 2025 (2024: 27). Amounts for interest-bearing receivables including bank deposits and derivative financial instruments recognised as assets are presented in the following table.

For derivative financial instruments the counterparty credit risk has been taken into account when determining fair value. The impact of credit risk is measured on a counterparty basis through credit value adjustment (CVA) method applying similar inputs and assumptions to which are used in the measurement of ECL. See also Note 16 Financial assets and liabilities by fair value hierarchy for basis of fair value estimations.

All counterparties for currency and interest rate derivatives and the majority of counterparties for bank deposits have an external rating from S&P Global Ratings, Fitch and/or Moody's credit agencies. For counterparties rated by more than one rating agency, the lowest rating is used to determine if it is investment grade.

In the commodity derivatives and commercial paper market, there are a number of counterparties not rated by S&P Global Ratings, Fitch or Moody's. For these counterparties, Fortum assigns an internal rating. The internal rating categories that are considered to be comparable to investment grade have similar financial metrics or display historical default rates which correspond to investment grade companies rated by S&P Global Ratings, Fitch or Moody's.

### Credit quality of major financial assets

| | 2025 | | 2024 | |
|---|---|---|---|---|
| EUR million | Carrying amount | of which past due | Carrying amount | of which past due |
| **Receivables with investment grade or comparable rating** | | | | |
| Deposits, commercial papers and cash in bank accounts | 2,842 | 0 | 4,089 | 0 |
| Fair values of interest rate and currency derivatives | 62 | 0 | 134 | 0 |
| Fair values of commodity derivatives on exchanges | 43 | 0 | 84 | 0 |
| Fair values of OTC commodity derivatives | 212 | 0 | 394 | 0 |
| **Total receivables with investment grade or comparable rating** | **3,159** | **0** | **4,701** | **0** |
| | | | | |
| **Receivables with non-investment grade or comparable rating** | | | | |
| Fair values of OTC commodity derivatives | 16 | 0 | 33 | 0 |
| Loan and other interest bearing receivables | 0 | 0 | 1 | 0 |
| **Total receivables with non-investment grade or comparable rating** | **16** | **0** | **34** | **0** |
| | | | | |
| **Other receivables** [1)] | | | | |
| Loan receivables from associates and joint ventures | 569 | 0 | 431 | 0 |
| Restricted cash | 28 | 0 | 7 | 0 |
| Cash in other bank accounts | 60 | 0 | 47 | 0 |
| **Total other receivables** | **657** | **0** | **485** | **0** |
| **Total** | **3,832** | **0** | **5,220** | **0** |

1) Other receivables include financial assets which have not been divided to investment-grade and non-investment grade or comparable ratings.

## 4.4.2 Financial instruments subject to master netting agreements

The following tables present the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset. The column 'net amount' shows the impact on the Group's balance sheet if all netting rights were exercised.

### Netting agreements for financial assets and liabilities 2025

| EUR million | Gross amount | Gross amount netted on the balance sheet [1] | Net amounts presented on the balance sheet | Conditional netting amount (netting agreements) | Financial collateral received / pledged | Net amount |
|---|---|---|---|---|---|---|
| **Financial assets** | | | | | | |
| Interest-rate and currency derivatives | 62 | 0 | 62 | 32 | 30 | 0 |
| Commodity derivatives | 338 | 67 | 271 | 98 | 6 | 167 |
| Trade receivables | 766 | | 766 | | | 766 |
| **Total** | **1,166** | **67** | **1,099** | **130** | **36** | **933** |
| | | | | | | |
| **Financial liabilities** | | | | | | |
| Interest-rate and currency derivatives | 126 | 0 | 126 | 32 | 77 | 17 |
| Commodity derivatives | 372 | 67 | 305 | 98 | 0 | 207 |
| Trade payables | 322 | | 322 | | | 322 |
| **Total** | **820** | **67** | **753** | **130** | **77** | **546** |

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

### Netting agreements for financial assets and liabilities 2024

| EUR million | Gross amount | Gross amount netted on the balance sheet [1] | Net amounts presented on the balance sheet | Conditional netting amount (netting agreements) | Financial collateral received / pledged | Net amount |
|---|---|---|---|---|---|---|
| **Financial assets** | | | | | | |
| Interest-rate and currency derivatives | 134 | 0 | 134 | 57 | 69 | 8 |
| Commodity derivatives | 842 | 331 | 511 | 233 | 4 | 274 |
| Trade receivables | 812 | 0 | 812 | | | 812 |
| **Total** | **1,788** | **331** | **1,457** | **290** | **73** | **1,094** |
| | | | | | | |
| **Financial liabilities** | | | | | | |
| Interest-rate and currency derivatives | 89 | 0 | 89 | 57 | 9 | 22 |
| Commodity derivatives | 796 | 331 | 465 | 233 | | 232 |
| Trade payables | 361 | 0 | 361 | | | 361 |
| **Total** | **1,246** | **331** | **915** | **290** | **9** | **616** |

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

# 5 Capital risk management

In November, Fortum updated its long-term financial targets, strategic targets and strategic KPIs. Comparable RONA (return on net assets) of 14% was added as a long-term target for the Group. The target of maintaining a credit rating of at least BBB remained unchanged.

Fortum's long-term financial targets are:

- Group Comparable RONA of 14%.
- To ensure a credit rating of at least BBB, Financial net debt-to-Comparable EBITDA can be a maximum of 2.5 times (previously 2.0–2.5). S&P Global Ratings and Fitch Ratings currently rate Fortum as BBB+ with Stable Outlook.
- To ensure 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 upper end of the pay-out 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 seeks to continue to pay competitive cash dividends.
- Fortum expects its Comparable operating profit to improve by EUR 330 million by 2030 compared to EUR 930 million for the last twelve months at end of September 2025. This improvement is based on own actions and does not include capital expenditure, acquisitions or price impacts.

Comparable EBITDA and Comparable operating profit are defined as an alternative performance measures and used as a components in the capital structure target 'Financial net debt-to-Comparable EBITDA' and in 'Comparable RONA' respectively. See Note 6 Revenue and reportable segments, Reconciliations of alternative performance measures and Definitions of key figures for additional information about Comparable return on net assets (RONA).

## Financial net debt/comparable EBITDA ratio

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **+ Interest-bearing liabilities** | | **4,746** | **4,828** |
| **- Liquid funds** | | **2,903** | **4,136** |
| **- Collateral arrangement** | | **241** | **213** |
| - Margin receivables | | 179 | 205 |
| + Margin liabilities | | 55 | 93 |
| **+/- Net margin liabilities/receivables** | | **-124** | **-111** |
| **Financial net debt** | 27 | **1,479** | **367** |
| | | | |
| Operating profit | | 939 | 1,325 |
| + Depreciation and amortisation | | 315 | 379 |
| **EBITDA** | | **1,254** | **1,704** |
| - Items affecting comparability | | -15 | -147 |
| **Comparable EBITDA** | | **1,240** | **1,556** |
| | | | |
| **Financial net debt/comparable EBITDA** | | **1.2** | **0.2** |

See Note 7 Comparable operating profit and comparable net profit for details on items affecting comparability, and Note 27 Interest-bearing liabilities, including further details of the financing and liquidity status and see Reconciliations of alternative performance measures and Definitions of key figures.

# 6 Revenue and reportable segments

## MATERIAL ACCOUNTING POLICIES

### REVENUE RECOGNITION

Fortum's operations comprise the provision of electricity, gas, heating and cooling as well as the waste management services, that includes mainly the the remaining battery recycling business and the divested recycling and waste business in 2024. Revenue streams can be divided into five groups: power sales to wholesale markets, power sales to retail customers, heating sales, gas sales and waste treatment sales.

Revenue is recognised when goods are transferred or services are performed, i.e. when a performance obligation is satisfied and control of the good or service underlying the particular performance obligations is transferred to the customer. Revenue is shown at the price that Fortum expects to be entitled to and it is presented net of rebates, discounts, value-added tax and selective taxes, such as electricity tax. Revenues include effects from physically settled contracts that were not entered into and do not continue to be held for the purpose of receipt or delivery of the commodity in accordance with the Group's expected sale, purchase or usage requirements and thus are within the scope of IFRS 9. see Note 7 Comparable operating profit and comparable net profit. Accounting policies for the different revenue streams are described below.

### POWER SALES TO WHOLESALE MARKETS AND INDUSTRIAL CUSTOMERS

Physical power sales are recognised on delivery. Sales to wholesale markets are carried out at a spot price and thus there are no variable elements. Fortum is also selling power to industrial customers and municipalities through bilateral contracts (Power purchase agreements, PPA's). These are typically fixed price physical power sales contracts with multi-year duration, which can extend to over 10 years. There may also be fixed price sale of renewable energy certificates incorporated into these contracts. Both of these sales are accounted for as Fortum's ordinary sales and thus not within the scope of IFRS 9. Contracts are entered into for securing steady cash flow and reducing income statement volatility.

Revenues are also generated from sale of renewable energy certificates. These include mostly Guarantees of Origin certificates, which are received free of charge for renewable energy production. Undelivered certificates are presented in inventories and revenue is recognized when the certificate is transferred to the customer. See Note 23 Inventories.

### POWER SALES TO RETAIL CUSTOMERS

Fortum’s contracts with consumer and business customers cover power sales, while the distribution service is delivered by the transmission company operating the local network. There is only one performance obligation, which is to stand-ready to supply electricity to the customer. The transaction price generally includes both a fixed monthly charge and a variable fee based on the volume of power supplied. As Fortum’s promise is to stand ready to deliver electricity, the fixed and variable components are recognised based on the fees chargeable from the customer. If automated meter reading is not available, power consumption between the last meter reading and the end of the month is estimated.

### HEAT SALES

In many areas the district heating service covers both the distribution and sale of heat. Fortum is usually responsible for delivering the whole service, even when heat is being produced by a third party, and is acting as a principal for heat sales as well. There is only one performance obligation, which is to stand-ready to supply heat to the customer. The fees charged from the customer generally comprise a fixed monthly charge and a variable fee based on the volume of heat supplied. As Fortum’s promise is to stand ready to deliver heat, the fixed and variable components are recognised based on the fees chargeable from the customer. In Poland there are also areas where Fortum operates only the heat production facilities while some third party is responsible for the distribution of heat. In these areas the performance obligation is to supply heat and revenue is recognised based on the volume of heat that Fortum is entitled to charge from the customer.

### GAS SALES

Revenues are generated from sales of gas to retail customers, which are recognised when delivery takes place and control is transferred to the customer. Contracts generally contain one performance obligation for which the entire transaction price is recognised.

Gas contracts can also include fixed price components that are recognised in line with the customer’s actual consumption profile, when the nature of the performance obligation is to deliver gas instead of standing-ready to deliver gas.

### WASTE TREATMENT SALES

Majority of revenue from waste management services arises from fees charged for receiving waste from customers (i.e. gate fees). The fee is usually determined based on the volume of waste received, there are no variable elements in pricing. Fortum is required to treat the waste and this performance obligation is satisfied when treatment has been performed. Transportation of the waste forms another performance obligation. Fees for waste treatment and transportation services are separately agreed in the contract and correspond to the price that would be charged for these services separately. Revenue for transportation service is recognised when the service has been provided.

Waste treatment sales include also various types of soil and landfill site projects, which mostly take place at customer sites. Fees charged are invoiced based on payment schedules agreed with the customer. The customer obtains the benefit of the construction work simultaneously when the construction work proceeds, and therefore project revenues are recognised over time. Progress of the construction is best measured either through costs incurred, or the completed area of the construction site.

### NETTING AND INTER-SEGMENT TRANSACTIONS

Generation segment sells portion of its power production to Nord Pool and Consumer Solutions segment buys its electricity from Nord Pool in Nordic. For these segments eliminations of sales include eliminations of sales and purchases with Nord Pool that are netted at Group level on an hourly basis until 30.9.2025 and after that on 15 minutes basis or on hourly basis in Norway and posted either as revenue or cost depending on if Fortum is a net seller or net buyer during any particular 15 minutes or hour.

Inter-segment sales, expenses and results for the different business segments are affected by intragroup deliveries, which are eliminated on consolidation. Inter-segment transactions are based on commercial terms.

## 6.1 Business and segment structure

Fortum discloses segment information in a manner consistent with internal reporting to Fortum's Board of Directors and Fortum Leadership Team, led by the President and CEO. Fortum segments are based on the type of business operation.

The business units are classified into the following reportable segments under IFRS Accounting Standards:

- The Generation segment includes the Hydro Generation, Nuclear Generation, Corporate Customers and Markets, and Renewables and Decarbonisation business units. These business units are aggregated into one reportable segment due to similar products, production processes, distribution methods, customers and regulatory environment.
- The Consumer Solutions segment includes the Consumer Solutions business unit.
- The Other Operations segment includes the Innovation and Venturing activities, enabling functions and corporate management. It also includes the remaining Circular Solutions businesses, mainly the battery recycling business.

## 6.2 Definitions for segment information

Fortum's segment information discloses the financial measurements 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. See Note 1.4 Measures for performance.

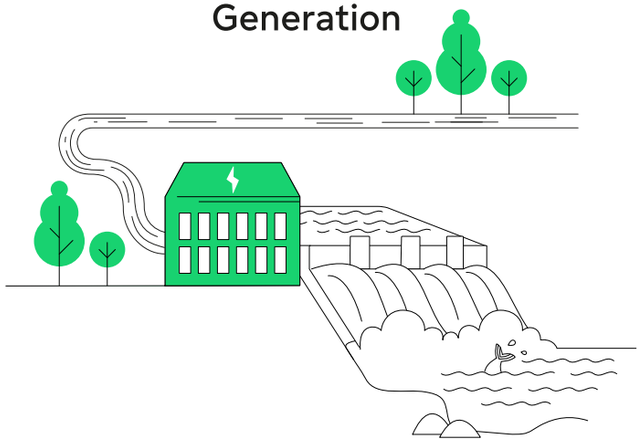
Segment reporting is based on the same accounting policies as Fortum Group.

# Description of reportable segments

REPORTABLE SEGMENTS

GROUP

## Generation



Generation is responsible for power generation mainly in the Nordics. The segment comprises low-carbon 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 in physical and financial power markets and is a customer interface for industrial and municipal customers to drive decarbonisation in industries and provide reliable energy at scale.

## 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 two million customers. The business provides electricity, as well as related value-added and digital services, mainly to retail customers.

## Other Operations

The Other Operations segment comprises innovation and venturing activities, enabling functions and corporate management. It also includes the remaining Circular Solutions businesses, mainly the battery recycling business.

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38 | 39
40

## 6.3 Segment information

### Consolidated income statement

| | | Generation [1] | | Consumer Solutions | | Other Operations | | Total | |
|---|---|---|---|---|---|---|---|---|---|
| **EUR million** | **Note** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| Power sales | | 2,642 | 3,234 | 2,607 | 2,635 | 0 | 5 | 5,249 | 5,873 |
| Heat sales | | 533 | 502 | 0 | 0 | 0 | 25 | 533 | 527 |
| Gas sales | | 0 | 0 | 387 | 386 | 0 | 0 | 387 | 386 |
| Waste treatment sales | | 20 | 11 | 0 | 0 | 2 | 212 | 21 | 223 |
| Other sales | | 51 | 48 | 35 | 53 | 185 | 355 | 271 | 456 |
| **Sales** | | **3,245** | **3,795** | **3,029** | **3,073** | **187** | **596** | **6,461** | **7,464** |
| Internal eliminations | | -170 | -307 | -8 | -5 | -158 | -157 | -336 | -469 |
| Netting of Nord Pool transactions [3] | | | | | | | | -1,136 | -1,196 |
| **External sales** | | **3,075** | **3,488** | **3,021** | **3,068** | **29** | **439** | **4,989** | **5,800** |
| | | | | | | | | | |
| **Comparable EBITDA** | | **1,098** | **1,421** | **213** | **161** | **-71** | **-26** | **1,240** | **1,556** |
| Depreciation and amortisation | | -204 | -204 | -92 | -85 | -19 | -90 | -315 | -379 |
| **Comparable operating profit** | | **893** | **1,218** | **122** | **76** | **-91** | **-116** | **924** | **1,178** |
| Impairment charges and reversals | | -20 | 0 | 0 | 0 | -5 | -17 | -25 | -17 |
| Capital gains and other related items | 3 | 0 | 0 | -1 | 0 | -2 | 183 | -4 | 183 |
| Changes in fair values of derivatives hedging future cash flow | | 40 | -107 | 6 | 46 | 0 | 0 | 47 | -61 |
| Other | | -1 | -7 | 0 | 0 | -2 | 50 | -3 | 43 |
| **Items affecting comparability** | 7 | **18** | **-115** | **5** | **46** | **-9** | **216** | **15** | **147** |
| **Operating profit** | | **912** | **1,103** | **127** | **122** | **-100** | **100** | **939** | **1,325** |
| Comparable share of profit of associates and joint ventures | 7, 19 | 28 | -26 | 0 | 0 | 0 | -3 | 28 | -30 |
| Share of profit of associates and joint ventures | 19 | 56 | 22 | 0 | 0 | 0 | -3 | 56 | 19 |

1) Power sales, both internal and external, include effects from realised hedging contracts. Effect on sales can be negative or positive depending on the average contract price and the realised spot price. Power sales in Fortum 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 134 million (2024: 149).

2) Sales and purchases with Nord Pool Spot are netted at Group level on a 15 minutes or an hourly basis depending on the market area and posted either as revenue or cost depending on whether Fortum is a net seller or net buyer during any particular 15 minutes or hour.

## Gross investments / divestments

| EUR million | Note | Generation 2025 | Generation 2024 | Consumer Solutions 2025 | Consumer Solutions 2024 | Other Operations 2025 | Other Operations 2024 | Total 2025 | Total 2024 |
|---|---|---|---|---|---|---|---|---|---|
| Gross investments in shares | 3 | 62 | 0 | 20 | 0 | 35 | 33 | 117 | 33 |
| Capital expenditure | 17, 18 | 438 | 355 | 58 | 71 | 4 | 57 | 500 | 483 |
| Gross divestments of shares | 3 | -2 | 34 | 0 | 0 | -1 | 751 | -3 | 785 |

## Segment assets and liabilities

| EUR million | Note | Generation 2025 | Generation 2024 | Consumer Solutions 2025 | Consumer Solutions 2024 | Other Operations 2025 | Other Operations 2024 | Total 2025 | Total 2024 |
|---|---|---|---|---|---|---|---|---|---|
| Non-interest-bearing assets | | 7,491 | 7,000 | 1,051 | 1,061 | 286 | 302 | 8,827 | 8,362 |
| Participations in associates and joint ventures | 19 | 1,243 | 1,189 | 0 | 1 | 92 | 71 | 1,335 | 1,260 |
| Eliminations | | | | | | | | -107 | -126 |
| **Total segment assets** | | **8,734** | **8,188** | **1,051** | **1,061** | **377** | **373** | **10,054** | **9,496** |
| Interest-bearing receivables | 22 | | | | | | | 925 | 714 |
| Deferred tax assets | 28 | | | | | | | 812 | 845 |
| Other assets | | | | | | | | 1,750 | 2,116 |
| Liquid funds | 25 | | | | | | | 2,903 | 4,136 |
| **Total assets** | | | | | | | | **16,444** | **17,307** |
| | | | | | | | | | |
| **Segment liabilities** | | **599** | **581** | **333** | **337** | **80** | **151** | **1,012** | **1,068** |
| Eliminations | | | | | | | | -107 | -126 |
| **Total segment liabilities** | | | | | | | | **905** | **942** |
| Deferred tax liabilities | 28 | | | | | | | 362 | 386 |
| Other liabilities | | | | | | | | 1,811 | 1,998 |
| **Total liabilities included in capital employed** | | | | | | | | **3,078** | **3,325** |
| Interest-bearing liabilities | 27 | | | | | | | 4,746 | 4,828 |
| Total equity | | | | | | | | 8,620 | 9,154 |
| **Total equity and liabilities** | | | | | | | | **16,444** | **17,307** |

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

| | | Generation | | Consumer Solutions | | Other Operations | | Total | |
|---|---|---|---|---|---|---|---|---|---|
| **EUR million** | **Note** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| **Comparable operating profit** | | **893** | **1,218** | **122** | **76** | **-91** | **-116** | **924** | **1,178** |
| Comparable share of profit of associates and joint ventures | 7, 19 | 28 | -26 | 0 | 0 | 0 | -3 | 28 | -30 |
| **Comparable operating profit including comparable share of profit/loss of associates and joint ventures** | | **922** | **1,191** | **122** | **76** | **-91** | **-120** | **952** | **1,148** |
| | | | | | | | | | |
| Segment assets | | 8,734 | 8,188 | 1,051 | 1,061 | 377 | 373 | 10,054 | 9,496 |
| Segment liabilities | | 599 | 581 | 333 | 337 | 80 | 151 | 905 | 942 |
| **Comparable net assets** | | **8,135** | **7,608** | **718** | **725** | **297** | **222** | **9,150** | **8,554** |
| **Comparable net assets average** [1)] | | **7,841** | **7,425** | **666** | **683** | **240** | **744** | **8,746** | **8,852** |
| | | | | | | | | | |
| **Comparable return on net assets (RONA), %** | | **11.8** | **16.0** | **18.3** | **11.2** | **-38.0** | **-16.1** | **10.9** | **13.0** |

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

## Employees

| | Generation | | Consumer Solutions | | Other Operations | | Total | |
|---|---|---|---|---|---|---|---|---|
| | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| Number of employees 31 December | 2,139 | 2,053 | 1,134 | 1,118 | 1,278 | 1,295 | 4,551 | 4,466 |
| Average number of employees | 2,137 | 1,968 | 1,124 | 1,176 | 1,286 | 2,158 | 4,547 | 5,301 |

## 6.4 Group-wide disclosures

The Group's operating segments operate mainly in the Nordic countries and Poland. The Group's domicile is Finland.

The table below presents sales by geographical area based on customer location. Capital expenditure, assets and personnel are reported where assets and personnel are located. Participations in associates and joint ventures are not presented by location since these companies may have business in several geographical areas.

Due to the large number of customers and the variety of business activities, there is no individual customer whose business volume is material to Fortum's total business volume.

### Sales by geographical area based on customer location

| EUR million | 2025 | 2024 |
|---|---|---|
| Nordics | 3,345 | 4,084 |
| Poland | 1,484 | 1,473 |
| Other | 160 | 242 |
| **Total** | **4,989** | **5,800** |

Nordic power production is not presented by country since Nordic power production is mainly sold through Nord Pool. Country level information regarding sales through Nord Pool is not obtainable.

### Capital expenditure by country

| EUR million | 2025 | 2024 |
|---|---|---|
| Finland | 260 | 242 |
| Sweden | 134 | 144 |
| Norway | 9 | 17 |
| Poland | 85 | 61 |
| Other | 12 | 20 |
| **Total** | **500** | **483** |

### Non-current assets on 31 December by country

| EUR million | 2025 | 2024 |
|---|---|---|
| Finland | 3,141 | 2,929 |
| Sweden | 4,242 | 3,932 |
| Norway | 319 | 343 |
| Poland | 681 | 610 |
| Other and eliminations | 82 | 65 |
| **Total** | **8,465** | **7,880** |

Non-current assets include intangible assets, property, plant and equipment and right-of-use assets as well as participations in associates and joint ventures.

### Number of employees on 31 December by country

| | 2025 | 2024 |
|---|---|---|
| Finland | 2,278 | 2,189 |
| Sweden | 968 | 931 |
| Norway | 296 | 316 |
| Poland | 881 | 779 |
| Other | 128 | 251 |
| **Total** | **4,551** | **4,466** |

# 7 Comparable operating profit and comparable net profit

## 7.1 Reconciliation of operating profit to comparable operating profit

Fortum uses Alternative performance measures (APMs) in the financial target setting and forecasting, management's follow up of financial performance of segments and the Group as well as allocation of resources in the Group's performance management process. The business performance of the operations cannot be compared from one period to another without adjusting for items affecting comparability and therefore they are excluded from Comparable operating profit and Comparable EBITDA. Definitions are presented in the section Definitions of key figures.

### Reconciliation of operating profit to comparable operating profit 2025

| 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 |
|---|---|---|---|---|---|---|
| Sales | 5,006 | 0 | 0 | -17 | 0 | 4,989 |
| Other income | 47 | 0 | 0 | -23 | 0 | 24 |
| Materials and services | -2,900 | 0 | 0 | -2 | 0 | -2,901 |
| Employee benefits | -420 | 0 | 0 | 0 | 1 | -419 |
| Depreciation and amortisation | -341 | 25 | 0 | 0 | 0 | -315 |
| Other expenses | -453 | 0 | 3 | -5 | 2 | -454 |
| **Comparable operating profit** | | **25** | **4** | **-47** | **3** | **924** |
| Items affecting comparability | | -25 | -4 | 47 | -3 | 15 |
| **Operating profit** | **939** | | | | | **939** |

### Reconciliation of operating profit to comparable operating profit 2024

| 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 |
|---|---|---|---|---|---|---|
| Sales | 5,742 | 0 | 0 | 58 | 0 | 5,800 |
| Other income | 240 | 0 | -183 | 49 | -58 | 48 |
| Materials and services | -3,289 | 0 | 0 | -12 | 6 | -3,295 |
| Employee benefits | -485 | 0 | 0 | 0 | 0 | -485 |
| Depreciation and amortisation | -396 | 17 | 0 | 0 | 0 | -379 |
| Other expenses | -486 | 0 | 0 | -34 | 9 | -511 |
| **Comparable operating profit** | | **17** | **-183** | **61** | **-43** | **1,178** |
| Items affecting comparability | | -17 | 183 | -61 | 43 | 147 |
| **Operating profit** | **1,325** | | | | | **1,325** |

### Impairment charges and reversals

Impairment charges are adjusted from depreciation and amortisation and presented in items affecting comparability. In 2025 impairment charges and reversals include mainly impairment charges of assets in India. See Note 20 Impairment testing.

### Capital gains and other related items

Capital gains and other related items include capital gains and transaction costs from acquisitions, which are adjusted from other income and other expenses, respectively.

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. See Note 3.2 Disposals.

### Changes in fair values of derivatives hedging future cash flow

Unrealised changes in the fair values of financial derivative instruments hedging future cash flows that do not qualify for hedge accounting and physical contracts that are treated as derivatives are recognised in items affecting comparability. For additional information, see Note 15 Financial assets and liabilities by categories.

Impacts from settlement of physical contracts that have been treated as derivatives and which hedge future cash flows are adjusted from other income and other expenses to sales and materials and services to reflect the contract pricing as opposed to market pricing at the time of delivery.

Adjustments are needed to improve the understanding of the financial performance when comparing results from one period to another.

### 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' included EUR 58 million income from a settlement of a commercial dispute. Related interest income of EUR 13 million was included in 'Finance costs - net'.

## 7.2 Reconciliation from operating profit to comparable net profit

### Comparable net profit and comparable earnings per share

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **Comparable operating profit** | | **924** | **1,178** |
| Comparable share of profit/loss of associates and joint ventures | 19 | 28 | -30 |
| Comparable finance costs - net | 11 | -54 | -36 |
| **Comparable profit before income tax** | | **898** | **1,112** |
| Comparable income tax expense | 12 | -163 | -219 |
| Comparable non-controlling interests | | 4 | 7 |
| **Comparable net profit** | | **739** | **900** |
| | | | |
| **Comparable earnings per share, EUR** | 13 | **0.82** | **1.00** |

### Reconciliation from net profit to comparable net profit

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **Net profit** | | **763** | **1,160** |
| - Items affecting comparability | 7 | -15 | -147 |
| - Adjustments to share of profit/loss of associates and joint ventures | 19 | -27 | -49 |
| - Adjustments to finance costs - net | 11 | 4 | -91 |
| - Adjustments to income tax expenses | | 10 | 20 |
| - Non-controlling interests | | 2 | 4 |
| - Adjustments to non-controlling interests | | 1 | 3 |
| **Comparable net profit** | 7 | **739** | **900** |

See also Reconciliations of alternative performance measures and Definitions of key figures.

### 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. See Note 19 Participations in associated companies and joint ventures.

### 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 11 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. See Note 12 Income tax expense and Note 28 Income taxes on the balance sheet.

### 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.

| EUR million | 2025 | 2024 |
|---|---|---|
| **Non-controlling interests** | **2** | **4** |
| Adjustments to non-controlling interests | 1 | 3 |
| **Comparable non-controlling interests** | **4** | **7** |

# 8 Other expenses

| EUR million | 2025 | 2024 |
|---|---|---|
| Operation and maintenance costs | 70 | 107 |
| IT and telecommunication costs | 113 | 110 |
| Property taxes | 63 | 41 |
| Other | 208 | 253 |
| **Total** | **454** | **511** |

The major components recorded in other expenses are the external operation and maintenance costs of power and heat plants. Property taxes include taxes relating to directly owned hydropower production EUR 48 million (2024: 25). Other includes expenses relating to properties and other operative expenses.

## Auditors' fees

| EUR million | 2025 | 2024 |
|---|---|---|
| Audit fees | 1.9 | 2.0 |
| Audit-related assignments | 0.3 | 0.5 |
| Tax assignments | 0.0 | 0.0 |
| **Total** | **2.2** | **2.5** |

Deloitte Oy is the appointed auditor for the financial year 2025.

Audit fees include fees for the audit of the consolidated financial statements, procedures for interim reports, as well as fees for the audit of Fortum Corporation and its subsidiaries. The audit fees also include the limited assurance of the sustainability statement. Audit-related assignments include fees for other assurance and associated services related to the audit.

# 9 Materials and services

| EUR million | 2025 | 2024 |
|---|---|---|
| Materials [1)] | 2,271 | 2,531 |
| Materials purchased from associated companies and joint ventures | 581 | 626 |
| Other | 49 | 138 |
| **Total** | **2,901** | **3,295** |

1) Materials include renewable energy certificate purchases EUR 45 million (2024: 66) and $CO_2$ emission rights purchases EUR 57 million (2024: 67).

Materials consists mainly of purchased electricity and gas including renewable energy certificates for retail sales and heat production and also fuels including $CO_2$ emission rights used for power and heat production. Electricity purchase from Nord Pool is netted at Group level on 15 minutes or an hourly basis depending on the market area, and posted either as revenue or cost depending on if Fortum is a net seller or net buyer during any particular 15 minutes or hour. See Note 6 Revenue and reportable segments and Note 23 Inventories.

Materials purchased from associates and joint ventures consist of nuclear and hydropower purchased at production cost (including interest costs and production taxes). Total materials and services include nuclear related property taxes EUR 14 million (2024: 6) and hydro related property taxes EUR 14 million (2024: 14). Taxes related to nuclear and hydro production are included in taxes paid through purchases from associates and joint ventures. See Note 38 Related party transactions.

# 10 Employee benefits and Board remuneration

| EUR million | 2025 | 2024 |
|---|---|---|
| Wages and salaries | 311 | 364 |
| Pensions | | |
| Defined contribution plans | 46 | 53 |
| Defined benefit plans | 3 | 4 |
| Social security costs | 38 | 41 |
| Share-based incentives | 5 | 6 |
| Other employee costs | 17 | 18 |
| **Total** | **419** | **485** |

The compensation package for Fortum's employees consists of salaries, fringe benefits, short-term incentives, profit sharing paid to the Personnel Fund (in Finland) and long-term incentives.

For further information on pensions, see Note 32 Pension obligations.

## 10.1 Short-term incentives

Short-term incentive (STI) programme is designed to support the achievement of the Group's financial and other relevant targets on an annual basis. As a main principle, all employees are covered by the programme or alternatively by a business specific arrangement.

The Board of Directors determines annually the performance criteria and award levels for the Fortum Leadership Team (FLT). They can vary from year to year to reflect business priorities. In 2025 the maximum STI for President and CEO was 100%, with a target of 50%, of annual fixed compensation. For other FLT members, the maximum STI was 50%, with a target of 25%, of the annual fixed compensation. The Board of Directors assesses the performance of the President and CEO and the members of the Fortum Leadership Team on a regular basis.

Awards for other employees are based on a combination of Group, unit and individual or team targets. The targets are set in annual performance discussions held at the beginning of each year. Awards under the STI programme are paid fully in cash.

## 10.2 Long-term incentives

The purpose of long-term incentive programmes is to support the delivery of sustainable long-term performance, align the interests of management with those of shareholders, and support in committing and retaining key individuals.

LTI programme provides participants with the opportunity to earn company shares. Under the LTI programme, and subject to the decision of the Board of Directors, a new LTI plan commences annually. The Board of Directors approves participation of the Fortum Leadership Team members in each annually commencing LTI plan. Subject to a decision by the Board of Directors, the President and CEO is authorised to decide on individual participants and potential maximum awards for other participants than the Fortum Leadership Team in accordance with the nomination guidelines approved by the Board of Directors. Participation in the LTI plan precludes the individual from being a member in the Fortum Personnel Fund.

Each LTI plan begins with a three-year earnings period, during which participants may earn share rights if the performance criteria set by the Board of Directors are fulfilled. If the minimum performance criteria are not met, no shares will be awarded. If performance is exceptionally good and the targets approved by the Board of Directors are achieved, the combined value of variable remuneration elements (STI and LTI) paid during a calendar year cannot exceed 200% of the person's annual fixed compensation. After the earnings period has ended and the relevant taxes and other employment-related expenses have been deducted, participants are paid the net balance in the form of shares.

The share awards are not subject to a lock-up period. However, Fortum Leadership Team members aggregate ownership of Fortum shares has to be greater than or equal to their annual salary.Those members whose aggregate ownership of Fortum shares does not yet fulfil the shareholding requirement are required to retain at least 50% of the shares received until the required level of shareholding is met.

The Restricted share programme is supplementing the current LTI programme. The Restricted share programme is following the main terms and conditions of the general LTI programme with the exception that the allocated shares will be delivered after the three-year plan period independent of performance measures, subject to continued employment. The Restricted share programme is designated for special purposes defined by the Board of Directors, such as retention.

The Board of Directors has the right to revise the targets set in the incentive plans, deviate from the payment based on achievement of the set earnings criteria, or to discontinue any ongoing incentive plan.

The share plans under the LTI arrangement are accounted for as equity-settled arrangements. The participants receive the earned reward in shares. The reward is recognised as an expense during the earnings period with a corresponding increase in equity. The social charges related to the arrangement payable by the employer are accrued as a liability. The liabilities for share-based plans including social charges at the end of the year 2025 was EUR 9 million (2024: 8), including EUR 8 million (2024: 7) recorded in equity.

At year end 2025, approximately 120 key employees are participants in at least one of the ongoing LTI plans.

### Shares granted

The following table presents changes in the number of share awards:

| Number of shares | 2025 | 2024 |
|---|---|---|
| 1 January | 2,051,323 | 1,458,811 |
| Granted | 954,769 | 1,117,235 |
| Settled | -109,535 | -52,292 |
| Expired or forfeited | -301,571 | -472,431 |
| **Outstanding 31 December** | **2,594,986** | **2,051,323** |

## 10.3 Employee Share Savings programme

The objective of Fortum's Employee Share Savings (ESS) programme is to motivate employees to invest in Fortum shares and retain ownership in the company.

The programme consists of annually commencing savings periods and the annual launch of each period is separately resolved by the Board of Directors. The participants of the programme invest a part of their monthly salary in Fortum shares, and based on this investment they will, as a gross reward, be granted one matching share for each two purchased savings shares after approximately three years from the beginning of the respective savings period. The prerequisites for receiving matching shares are that the participant holds the purchased savings shares until the end of the holding period, and that his or her employment has not ended before the end of the holding period.

Each plan consists of one-year savings period followed by two-year holding period. Shares are purchased quarterly with the accumulated savings at the market price, after the release of Fortum's interim reports. The programme is accounted for as an equity-settled transaction, and the cost related to matching shares is recognised as an expense during the vesting period.

## 10.4 Fortum Personnel Fund

The Board of Directors determines the criteria for the fund's annual profit-sharing bonus. Members of the personnel fund are the permanent and fixed-term employees of the Group in Finland only.

The profit-sharing received by the fund is distributed equally between the members. Each employee's share is divided into a tied amount and an amount available for withdrawal. It is possible to transfer a maximum of 15% of capital from the tied amount to the amount available for withdrawal each year.

The fund's latest financial year ended at 30 April 2025 and the fund then had a total of 2,891 members (2024: 2,794). In the end of April 2025 Fortum contributed EUR 3.4 million (2024: 1.2) to the personnel fund as an annual profit-sharing bonus based on the financial results of 2024. The combined amount of members' earnings in the fund was EUR 21 million (2024: 18).

## 10.5 The President and CEO and the Fortum Leadership Team remuneration

In the end of 2025 Fortum Leadership Team consists of ten members, including the President and CEO. The following table presents the total remuneration of the President and CEO and the FLT and takes into account the changes in FLT during the year. The expenses are shown on accrual basis.

In accordance with the terms of the Solidium bridge financing facility with the Finnish State in 2022, the Fortum Leadership Team members were not paid any short- or long-term incentives that accumulated in 2022 and 2023. The remuneration restrictions have an impact on a total of four LTI plans, the last of which continued until the end of 2025. Costs for these plans are accrued over the vesting period.

### Management remuneration

| | 2025 | | 2024 | |
|---|---|---|---|---|
| EUR thousand | Markus Rauramo, President and CEO | Other FLT members | Markus Rauramo, President and CEO | Other FLT members |
| Salaries and fringe benefits | 1,255 | 3,152 | 1,586 | 3,844 |
| Short-term incentives | 542 | 718 | 239 | 660 |
| Long-term incentives | 523 | 1,041 | 459 | 668 |
| Pensions (statutory) | 302 | 588 | 296 | 776 |
| Pensions (voluntary) | 252 | 579 | 315 | 718 |
| Social security expenses | 57 | 370 | 42 | 273 |
| **Total** | **2,931** | **6,447** | **2,937** | **6,938** |

The annual defined contribution for the President and CEO Markus Rauramo's supplementary pension arrangement is 20% of the annual fixed compensation. The annual fixed compensation consists of base salary and fringe benefits. The President and CEO's retirement age is determined in accordance with the Finnish Employees' Pension Act. In case his managing director service agreement is terminated before the retirement age, the President and CEO is entitled to retain the funds that have accrued in the pension arrangement up to that time.

Retirement age of other members of FLT is typically determined in accordance with the local legislation. Additionally, for three members the retirement age is 63. According to Group policy, all new supplementary pension arrangements are defined contribution plans. In general FLT members have supplementary defined contribution pension plan, except for two members who are in the Fortum Pension Fund (defined benefit plan). In the end of 2025, a pension asset of EUR 22 thousand (2024: liability 222) was recognised on the balance sheet related to the defined benefit plans.

In the event that Fortum decides to give notice of termination to the President and CEO, he is entitled to the salary for the notice period (6 months) and a severance pay equal to 6 months' salary. For other FLT members, the notice period for both parties is 6 months, and in case the company terminates the contract, members are usually entitled to the salary for the notice period and a severance pay equal to 6 months' salary.

### Number of shares delivered to the management

The following table shows the number of shares delivered to the President and CEO and other FLT members under the LTI agreements. FLT members whose aggregate ownership of Fortum shares does not yet fulfil the shareholding requirement are required to retain at least 50% of the shares received until the required level of shareholding is met.

| | | 2025 | 2024 |
|---|---|---|---|
| **FLT members at 31 December 2025** | | | |
| Markus Rauramo, CEO | | 1,785 | 0 |
| Nebahat Albayrak | | 476 | 0 |
| Mikael Lemström | | 281 | 0 |
| Kati Levoranta | Member of FLT from 1 June 2025 | 0 | N/A |
| Petra Lundström | | 368 | 0 |
| Simon-Erik Ollus | | 422 | 0 |
| Mikael Rönnblad | | 375 | 0 |
| Peter Strannegård | | 198 | 0 |
| Karin Svenske Nyberg | Member of FLT from 1 May 2025 | 0 | N/A |
| Tiina Tuomela | | 0 | 0 |
| **Former FLT members** | | | |
| Eveliina Dahl | Member of FLT until 31 December 2024 | N/A | 0 |
| Bernhard Günther | Member of FLT until 31 December 2024 | N/A | 0 |
| Nora Steiner-Forsberg | Member of FLT until 31 December 2024 | N/A | 0 |
| **Total** | | **3,905** | **0** |

In 2025, with regard to the  Employee Share Savings plan, 825 (2024: 599) matching shares were delivered to FLT members.

In 2024 FLT members voluntarily waived the shares that were not subject to restrictions of the bridge financing facility and that were scheduled for delivery in spring 2024, thus no shares were delivered in 2024.

## 10.6 Board of Directors and management shareholding

On 31 December 2025, the members of the Board of Directors owned a total of 52,842 shares (2024: 48,015), which corresponds to 0.01% (2024: 0.01%) of the company's shares and voting rights.

### Number of shares held by members of the Board of Directors

| | 2025 | 2024 |
|---|---|---|
| **Board members at 31 December 2025** | | |
| Mikael Silvennoinen, Chair | 17,826 | 13,515 |
| Jonas Gustavsson, Deputy Chair | 5,429 | 3,065 |
| Ralf Christian | 6,414 | 4,050 |
| Luisa Delgado | 5,941 | 4,050 |
| Stefanie Kesting | 1,891 | N/A |
| Marita Niemelä | 4,956 | 3,065 |
| Teppo Paavola | 0 | 8,780 |
| Johan Söderström | 4,956 | 3,065 |
| Vesa-Pekka Takala | 5,429 | 3,065 |
| **Former Board members** | | |
| Essimari Kairisto | N/A | 5,360 |
| **Total** | **52,842** | **48,015** |

The President and CEO and other members of the FLT owned a total of 232,366 (2024: 229,623), which corresponds to approximately 0.03% (2024: 0.03%) of the company's shares and voting rights.

## Number of shares held by members of the Fortum Leadership Team

| | 2025 | 2024 |
|---|---|---|
| **FLT members at 31 December 2025** | | |
| Markus Rauramo | 118,858 | 115,997 |
| Nebahat Albayrak | 4,661 | 3,557 |
| Mikael Lemström | 15,577 | 15,155 |
| Kati Levoranta | 0 | N/A |
| Petra Lundström | 15,470 | 14,314 |
| Simon-Erik Ollus | 9,153 | 7,664 |
| Mikael Rönnblad | 21,430 | 20,887 |
| Peter Strannegård | 5,701 | 4,380 |
| Karin Svenske Nyberg | 0 | N/A |
| Tiina Tuomela | 41,516 | 40,772 |
| **Former FLT members** | | |
| Eveliina Dahl | N/A | 3,414 |
| Bernhard Günther | N/A | 1,392 |
| Nora Steiner-Forsberg | N/A | 2,091 |
| **Total** | **232,366** | **229,623** |

# 10.7 Board remuneration

The Board of Directors comprises five to ten members who are elected at the Annual General Meeting for a one-year term of office, which expires at the end of the first Annual General Meeting following the election. The Board of Directors consists of nine members at the end of 2025.

The Annual General meeting confirms the yearly compensation for the Board of Directors. Board members are not offered any long-term incentive benefits or participation in other incentive schemes. There are no pension arrangements for the Board members. Social security costs in 2025 were EUR 63 thousand (2024: 51).

## Fees for the Board of Directors

| EUR thousand | 2025 | 2024 |
|---|---|---|
| **Annual fee for the Board work** | | |
| Chair | 155.0 | 128.2 |
| Deputy Chair | 85.0 | 79.4 |
| Committee Chairs [1] | 85.0 | N/A |
| Members | 68.0 | 56.8 |
| **Fixed fee for the Committee work** | | |
| Committee Chairs | N/A | 22.6 |
| Members | N/A | 5.4 |

1) If not simultaneously the Chair or Deputy Chair of the Board.

Every member of the Board of Directors receives a fixed annual fee for the Board work and a meeting fee for each meeting attended. The annual fee for the Board work is paid in company shares and in cash in such a way that approximately 40% of the amount of the annual fee is payable in shares acquired on behalf and in the name of the Board members, and the remainder in cash. The company pays the costs and the transfer tax related to the purchase of the company shares. The fixed fees for the Committee work, which had previously been part of Board remuneration, were discontinued in 2025 to streamline the Board remuneration structure.

A meeting fee of EUR 1,000 is paid for Board and Committee meetings, or EUR 2,000 in case 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.

## Compensation for the Board of Directors

| EUR thousand | | 2025 | 2024 |
|---|---|---|---|
| **Board members at 31 December 2025** | | | |
| Mikael Silvennoinen | Chair of the Board and Chair of the People and Remuneration Committee | 179 | 167 |
| Jonas Gustavsson | Deputy Chair from 1 April 2025 | 111 | 90 |
| Ralf Christian | Chair of the Technology and Investment Committee | 115 | 109 |
| Luisa Delgado | | 92 | 91 |
| Stefanie Kesting | Member of the Board from 1 April 2025 | 89 | N/A |
| Marita Niemelä | | 86 | 82 |
| Teppo Paavola | | 93 | 94 |
| Johan Söderström | | 90 | 79 |
| Vesa-Pekka Takala | Chair of the Audit and Risk Committee | 105 | 83 |
| **Former Board members** | | | |
| Essimari Kairisto | Deputy Chair and Chair of the Audit and Risk Committee until 1 April 2025 | 8 | 118 |
| Maija Strandberg | Member of the Board until 1 April 2025 | N/A | 5 |
| **Total** | | **968** | **916** |

# 11 Finance costs — net

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Interest expense | | | |
| Borrowings | | -164 | -233 |
| Leasing and other interest expenses | | -3 | -3 |
| Capitalised borrowing costs | 18 | 10 | 10 |
| **Total** | | **-157** | **-226** |
| | | | |
| Interest income | | | |
| Loan receivables and deposits | | 104 | 189 |
| Other interest income [1] | | 7 | 45 |
| **Total** | | **111** | **234** |
| | | | |
| Other financial items — net | | | |
| Return from nuclear fund | 29 | 43 | 85 |
| Nuclear fund adjustment | | 4 | 40 |
| Unwinding of nuclear provisions | | -31 | -38 |
| Fair value changes, impairments and reversals | | -20 | -27 |
| Other financial expenses and income | | -8 | -12 |
| **Total** | | **-13** | **47** |
| **Finance costs — net** | | **-59** | **55** |

| EUR million | 2025 | 2024 |
|---|---|---|
| **Finance costs — net** | **-59** | **55** |
| **Adjustments to finance costs — net** | | |
| Return from nuclear fund | -43 | -85 |
| Nuclear fund adjustment | -4 | -40 |
| Unwinding of nuclear provisions | 31 | 38 |
| Fair value changes, impairments, reversals and other adjustments [1] | 20 | -5 |
| **Comparable finance costs — net** | **-54** | **-36** |

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 37 Legal actions and official proceedings.

See Reconciliations of alternative performance measures and Definitions of key figures.

Interest expenses on borrowings totalled EUR 164 million (2024: 233) including interest expenses on loans of EUR 149 million (2024: 211), and EUR 15 million (2024: 22) interest cost — net from derivatives hedging the loan portfolio.

Interest income on loan receivables and deposits, EUR 104 million (2024: 189), includes EUR 83 million (2024: 162) from deposits and cash, and EUR 21 million (2024: 27) interest income from shareholder loan receivables and other loan receivables. Other interest income EUR 7 million (2024: 45) included in 2024 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 plant. For additional information see Note 29 Nuclear-related assets and liabilities.

Other financial expenses and income were EUR -8 million (2024: -12).

## Interest rate and currency derivatives in finance costs — net

| EUR million | 2025 | 2024 |
|---|---|---|
| Interest rate and cross currency swaps | | |
| Interest expenses on borrowings | -1 | -10 |
| Exchange rate difference from derivatives | -7 | 5 |
| Rate difference in fair value gains and losses on financial instruments [1] | -9 | 15 |
| **Total fair value change of interest rate derivatives in finance costs - net** | **-17** | **10** |
| | | |
| Foreign exchange derivatives | | |
| Interest expenses on borrowings | -14 | -12 |
| Exchange rate difference from derivatives | -188 | 145 |
| Rate difference in fair value gains and losses on financial instruments | -2 | 1 |
| **Total fair value change of currency derivatives in finance costs - net** | **-204** | **134** |
| **Total** | **-222** | **144** |

1) Fair value gains and losses on financial instruments include fair value change of hedging derivatives in fair value hedge relationship to EUR -9 million (2024: 15).

# 12 Income tax expense

## 12.1 Profit before tax by country

| EUR million | 2025 | 2024 |
|---|---|---|
| Finland | 333 | 528 |
| Sweden | 215 | 309 |
| Poland | 90 | 85 |
| Ireland | 333 | 233 |
| Netherlands | 16 | 265 |
| Other | -52 | -21 |
| **Total** | **936** | **1,399** |

Profit before tax by country represents the respective countries' part of total profit before tax for Fortum Group according to IFRS Accounting Standards, based on the same accounting principles as consolidated financial statements. This means that the respective country profits include items such as share of profits from associates and joint ventures, effects of accounting for derivatives under IFRS Accounting Standards and other group-level consolidation adjustments, which are not included in taxable profits in the local subsidiaries.

## 12.2 Major components of income tax expense by country

| EUR million | 2025 | 2024 |
|---|---|---|
| **Current taxes** | | |
| Finland | -55 | -126 |
| Sweden | -61 | -88 |
| Poland | -25 | -13 |
| Ireland | 0 | 0 |
| Netherlands | -14 | -2 |
| Other | -3 | -9 |
| **Total** | **-158** | **-238** |
| **Deferred taxes** | | |
| Finland | -5 | 11 |
| Sweden | 20 | 22 |
| Poland | 7 | -9 |
| Ireland | -48 | -36 |
| Netherlands | 4 | -20 |
| Other [1)] | 9 | 18 |
| **Total** | **-14** | **-14** |
| **Adjustments recognised for current tax of prior periods** | | |
| Finland | 0 | 11 |
| Sweden | -2 | 0 |
| Poland | 2 | 3 |
| Ireland | 0 | 0 |
| Netherlands | 0 | 0 |
| Other | 0 | 0 |
| **Total** | **-1** | **13** |
| **Income tax expense** | **-173** | **-239** |

1) Includes tax rate differential on interest on group internal loan treated as equity.

## 12.3 Income tax rate reconciliation

The table below explains the difference between the enacted tax rate in Finland compared to the tax rate in the consolidated income statement.

| EUR million | 2025 | % | 2024 | % |
|---|---|---|---|---|
| Profit before tax | 936 | | 1,399 | |
| Tax calculated at nominal Finnish tax rate | -187 | 20.0 | -280 | 20.0 |
| Differences in tax rates in other jurisdictions | 24 | -2.6 | 4 | -0.3 |
| Tax exempt capital gains | 0 | 0 | 47 | -3.4 |
| Other items impacting comparable tax expense | -8 | 0.9 | -3 | 0.2 |
| Tax exempt income and other non-deductible expenses | -1 | 0.1 | 4 | -0.3 |
| Share of profit of associates and joint ventures | 11 | -1.2 | 3 | -0.2 |
| Tax effects of changes in value and non-recognition of deferred taxes | -3 | 0.3 | -5 | 0.4 |
| Other items | -7 | 0.7 | -3 | 0.2 |
| Adjustments recognised for taxes of prior periods | -1 | 0.2 | -5 | 0.4 |
| **Income tax expense** | **-173** | **18.5** | **-239** | **17.1** |

### Key tax indicators:

- The weighted average applicable income tax rate for 2025 is 17.4% (2024: 19.7%).
- The effective income tax rate in the income statement for 2025 is 18.5% (2024: 17.1%).
- The comparable effective income tax rate for 2025 is 18.8% (2024: 19.1%).

See Note 7 Comparable operating profit and comparable net profit, Reconciliations of alternative performance measures and Definitions of key figures.

The major items affecting the effective income tax rate are as follows:

- Differences in tax rates in other jurisdictions and share of profit from associates and joint ventures changed the rate by -2.6% (2024: -0.3%) and -1.2% (2024: -0.2%) respectively.
- In 2024, tax exempt capital gains mainly generated from the divestment of the recycling and waste business reduced the rate by 3.4%.
- Other items impacting comparable tax expense increased the effective tax rate by 0.9% (2024: 0.2%). These items are related to the impairments of shares.
- Other items include EUR -7 million related to profits from branches where tax credits may not be utilised in Ireland. The item increased the rate by 0.7% (2024: 0.4%). In 2024, other items also included the tax rate differential on interest on group internal loan treated as equity, being interest income in Ireland at 12.5% and the corresponding interest expense taxable at 20% in Finland. The item decreased the rate by 0.6%. The impact is immaterial in 2025 because majority of the capital loans has been repaid.

## 12.4 Reconciliation of comparable income taxes

| EUR million | 2025 | 2024 |
|---|---|---|
| Income tax expense | -173 | -239 |
| Adjustments to income tax expense | 10 | 20 |
| **Comparable income tax expense** | **-163** | **-219** |

## 12.5 Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules for global minimum tax. Pillar Two legislation was enacted in Finland, domicile of Fortum Oyj and came into effect from 1 January 2024. This legislation was also in effect in 2025 in the following Fortum's operative countries: Sweden, Norway, Denmark, Poland, the Netherlands, Ireland, Belgium, the United Kingdom, Switzerland, Spain, France, and Germany.

Under the legislation, the Group is liable to pay a top-up tax for the difference between its so called GloBE effective tax rate per jurisdiction calculated based on Pillar Two rules and the defined 15% minimum rate, if the Transitional Safe Harbour rules included in Pillar Two legislation are not met.

According to Fortum's assessment, the Group is not exposed to Pillar Two top-up tax in 2025.

# 13 Earnings and dividend per share

### ACCOUNT POLICIES

**EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit attributable to the owners of the parent company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares.

**DIVIDENDS**

Dividends proposed by the Board of Directors are not recognised in the financial statements until they have been approved by the company's shareholders at the Annual General Meeting.

## 13.1 Earnings per share

### Earnings per share, basic

| | 2025 | 2024 |
|---|---|---|
| Profit attributable to owners of the parent (EUR million) | 765 | 1,164 |
| Weighted average number of shares (thousand) | 897,264 | 897,264 |
| | | |
| Basic earnings per share (EUR) | 0.85 | 1.30 |

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

### Comparable earnings per share

| | 2025 | 2024 |
|---|---|---|
| Comparable net profit (EUR million) | 739 | 900 |
| Weighted average number of shares (thousand) | 897,264 | 897,264 |
| | | |
| Comparable earnings per share (EUR) | 0.82 | 1.00 |

See Reconciliations of alternative performance measures and Definitions of key figures.

## 13.2 Dividend per share

The Board of Directors proposes that a dividend of EUR 0.74 per share be paid for the financial year 2025, which corresponds to 90% payout of the Group's comparable earnings per share (EPS) of EUR 0.82. Based on the number of shares registered as at 2 February 2026, the total amount of dividend would be EUR 664 million. These Financial statements do not reflect this dividend.

A dividend for 2024 of EUR 1.40 per share, amounting to a total of EUR 1,256 million, was decided in the Annual General Meeting on 1 April 2025. The dividend was paid on 10 April 2025.

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, amounting to a total of EUR 511 million, was paid on 9 October 2024.

# 14 Additional cash flow information

## 14.1 Change in financial net debt

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **Financial net debt, beginning of the period** | | **367** | **942** |
| Net cash flow: | | | |
| Comparable EBITDA | | 1,240 | 1,556 |
| Non-cash and other items | | -30 | -2 |
| Paid net financial costs and dividends received | | -37 | 25 |
| Realised foreign exchange results and other financial items | | -113 | -87 |
| Income taxes paid | | -147 | -196 |
| Change in working capital | | -73 | 95 |
| Capital expenditures | | -499 | -472 |
| Acquisitions | | -88 | -33 |
| Divestments and proceeds from sale of property, plant and equipment | | 0 | 767 |
| Change in interest-bearing receivables | | -53 | -44 |
| Dividends to the owners of the parent | | -1,256 | -1,032 |
| Other financing activities | | 2 | 2 |
| Net cash flow ('-' increase in financial net debt) | | -1,054 | 580 |
| Foreign exchange rate differences and other changes | | 57 | 5 |
| **Financial net debt, end of the period** | 27 | **1,479** | **367** |

## 14.2 Additional cash flow information

### Change in working capital

| EUR million | 2025 | 2024 |
|---|---|---|
| Change in interest-free receivables, decrease(+)/increase(-) | 94 | 243 |
| Change in inventories, decrease(+)/increase(-) | -94 | -17 |
| Change in interest-free liabilities, decrease(-)/increase(+) | -72 | -131 |
| **Total** | **-73** | **95** |

### Capital expenditure in cash flow

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Capital expenditure | 17, 18 | 500 | 483 |
| Change in not yet paid investments, decrease(+)/increase(-) | | 10 | -2 |
| Capitalised borrowing costs | | -10 | -10 |
| **Total** | | **499** | **472** |

### Acquisition of shares in cash flow

Acquisition of shares, net of cash acquired, amounted to EUR 88 million (2024: 33). For further information see Note 3 Acquisitions and disposals.

### Divestment of shares in cash flow

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Proceeds from sales of subsidiaries, net of cash disposed | 3 | -1 | 726 |
| Proceeds from sales and capital returns of associates and joint ventures | 3, 19 | 0 | 38 |
| **Total** | | **-1** | **764** |

There were no material divestments during 2025. In 2024 Fortum completed the divestment of its recycling and waste business and the sale of the remaining 43.75% share of its 185 MW Indian solar power portfolio.

For further information, see Note 3 Acquisitions and disposals.

# 15 Financial assets and liabilities by categories

## ACCOUNTING POLICIES

### FINANCIAL ASSETS

Fortum classifies its financial assets in the following categories according to IFRS 9: financial assets at amortised cost, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. The classification is made at initial recognition and depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

In order for the financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of the principal and interest on the principal amount outstanding (SPPI). This assessment is referred to as the SPPI test and is performed at an instrument level. When the SPPI criteria is not met, financial assets are classified to fair value through profit or loss category.

Financial assets are presented as non-current assets unless they are held for trading, expected to be realised within 12 months at the closing date or they have a maturity of under 12 months at closing date. These are classified as current assets.

### FINANCIAL ASSETS AT AMORTISED COST

Fortum measures financial assets at amortised cost when the financial asset is included in the held-to-collect business model with fixed or determinable payments that are payments of amount outstanding or interest on it. They arise when the Group provides money, goods or services directly to a debtor. Financial assets at amortised cost include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Financial assets at amortised cost are subject to impairment using expected credit loss (ECL) model. Gains and losses from derecognition of the asset are recognised in profit and loss.

### FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss include financial assets held for trading in the short term, financial assets designated upon initial recognition irrevocably as fair value through profit or loss and financial assets mandatorily recognised at fair value through profit or loss according to IFRS 9. Derivatives are classified as held for trading unless they are designated as effective hedging instruments.

Gains and losses arising from changes in the fair value are included in the income statement in the period in which they arise.

### FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Other equity investments designated at fair value through other comprehensive income are not subject to impairment assessment and accumulated reserves are not recycled to profit or loss upon derecognition. Dividends received are recognised in profit and loss.

### DERECOGNITION

Fortum derecognises financial assets when the rights to receive cash flows from the assets have expired or when it has substantially transferred the risks and rewards of the assets outside of the Group.

### IMPAIRMENT

Fortum recognises an allowance for expected credit losses (ECL) according to IFRS 9 for financial assets measured at amortised cost. See further information on ECL in Note 4.4.1 Credit quality of major financial assets and in Note 24 Trade and other receivables.

Financial assets measured at fair value through profit or loss are not included in ECL assessment as they are already measured at fair value. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

### FINANCIAL LIABILITIES

All financial liabilities are recognised initially at fair value. In the case of loans and borrowings and payables, incurred transaction costs are deducted. In subsequent periods, all financial liabilities, except derivatives and financial liabilities which the Group has at initial recognition irrevocably designated at fair value through profit or loss, are stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised as interest cost over the period of the borrowing using the effective interest rate method.

Amortisation of the effective interest rate and gains and losses of liabilities are recognised in the income statement.

Derivative financial instruments entered into by the Group, that are not designated as hedging instruments are classified as liabilities at fair value through profit and loss.

Group’s financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Borrowings or portion of borrowings being hedged with a fair value hedge are recognised at fair value through profit or loss. Derecognition of financial liabilities takes place when the Group has fulfilled the contractual obligations.

### ACCOUNTING FOR DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Within the ordinary course of business, the Group routinely enters into sale and purchase transactions for commodities. Contracts that were entered into and continue to be held for the purpose of receipt or delivery of the commodity in accordance with the Group's expected sale, purchase or usage requirements are not within the scope of IFRS 9 ("own use exemption"). Physical contracts to buy or sell a non-financial item, which are fair valued using the fair value option to off-set accounting mismatch, or where own use exemption or hedge accounting cannot be applied are fair valued through the income statement.

The Group trades derivatives through exchanges, in which derivatives are cleared through central clearing parties (CCPs) or clearing banks, as well as over-the-counter (OTC), concluded directly between counterparties. Trading derivatives through exchanges requires the exchange of cash (margining payments) with a CCP or clearing bank to cover market risk in the case of a member default. See further information in Note 4.2 Liquidity and refinancing risk and in Note 4.4 Credit risk. Exchange-traded derivatives are accounted for either as collateralised-to-market (CTM) or settled-to-market (STM)

derivatives depending on the contractual right and obligations associated with the variation margin settlement payments. For CTM derivatives the variation margins paid or received are recognised as collaterals and included within margin receivables and liabilities in the balance sheet. Accordingly, the paid or received variation margin of CTM derivatives constitute a separate unit of account from the derivative contracts which are recognised at fair value in the balance sheet. For STM derivatives, the variation margins paid or received are accounted for as settlements of the derivative contracts fair value. Consequently, the fair value of STM derivative contracts in the balance sheet is zero. The initial margins of STM and CTM derivatives are included within margin receivables and liabilities. Currently, the majority of exchange-traded derivatives are treated as CTM derivatives whereas the amount of STM derivatives is immaterial.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Gains and losses resulting from the initial fair value measurement of a derivative ("day one" gains and losses) are eliminated against the corresponding derivative asset or liability, if the initial fair value is determined based on valuation model with input parameters that are unobservable from active markets. For derivatives whose initial fair value is evidenced by a quoted price in an active market for an identical contract or based on a valuation technique that uses only data from observable markets, gains and losses from the initial measurement are accounted for similarly to gains or losses on the subsequent measurement.

The method of recognising the resulting gain or loss on the subsequent measurement depends on whether the derivative is designated as a hedging instrument eligible for hedge accounting, and if so, the nature of the item being hedged. The Group designates certain derivatives as either: (1) hedges of highly probable forecast transactions (cash flow hedges); (2) hedges of the fair value of recognised assets or liabilities, or unrecognised firm commitments (fair value hedge); or (3) hedges of net investments in foreign operations.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, whether the hedged item is one or several risk components separately or in aggregation, as well as its risk management objective and strategy for undertaking various hedge transactions. When applying hedge accounting the Group also documents its assessment, of whether the derivatives that are used in hedging transactions are meeting the hedge accounting effectiveness criteria: (1) there is an economic relationship between the hedged item and the hedging instrument, (2) the effect of credit risk does not dominate the value changes that result from that economic relationship; and (3) the hedge ratio of the hedging relationship is the same as applied in the risk management. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective by assessing the prospective capacity of the derivatives in offsetting changes in fair values or cash flows of hedged items. Hedge accounting is discontinued only when the hedging relationship ceases to meet the hedge effectiveness criteria.

**CASH FLOW HEDGE**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. Gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect profit and loss (e.g. when the forecasted sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (e.g. inventory) or a liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability. When a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity is recognised in the income statement when the forecast transaction is ultimately also recognised in the income statement. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately recognised in the income statement.

Fortum hedges its exposure to commodity market risks and applies hedge accounting by risk components. Hedge accounting is applied to Nordic electricity price risk, where the Nordic area priced physical electricity delivery is commonly divided into three risk components: (1) system price risk, (2) electricity price area difference risk (EPAD) and (3) currency risk. For each of these separate risk components there are specific derivative contracts available, which each are being effective hedges for the associated risk components. In addition, hedge accounting is applied to certain gas forward and futures contracts which effectively hedge the cash flows for future gas deliveries.

**FAIR VALUE HEDGE**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss for the periods until maturity of the hedged item.

**NET INVESTMENT HEDGING IN FOREIGN OPERATIONS**

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity; the gain or loss relating to the ineffective portion is recognised immediately in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is disposed of.

**DERIVATIVES THAT DO NOT QUALIFY FOR HEDGE ACCOUNTING**

Certain derivative instruments representing economic hedging relationship do not qualify for hedge accounting. Unrealised fair value changes of non-hedge accounted commodity derivatives, hedging future cash flow and physical contracts that are accounted for as derivatives within the scope of IFRS 9, are recognised in items affecting comparability in the income statement. Gains and losses on interest rate and currency derivative instruments are recognised in finance costs – net with corresponding hedge items.

Financial assets and liabilities in the following tables are split into categories in accordance with IFRS 9. The categories are further divided into classes which are the basis for valuing a respective asset or liability.

## Financial assets by category 2025

| EUR million | Note | Amortised cost | Fair value through profit or loss | | | Fair value through other comprehensive income | Total financial assets |
|---|---|---|---|---|---|---|---|
| | | | Hedge accounting, fair value hedges | Non-hedge accounting | Other financial assets | Net investment and Cash flow hedges | |
| **Financial instruments in non-current assets** | | | | | | | |
| Other non-current assets | 21 | 152 | | | 123 | | 274 |
| Derivative financial instruments | 4 | | | | | | |
| Commodity derivatives | | | | 46 | | 40 | 85 |
| Interest rate and currency derivatives | | | 49 | 0 | | 11 | 59 |
| Long-term interest-bearing receivables | 22 | 565 | | | | | 565 |
| **Total financial instruments in non-current assets** | | **717** | **49** | **46** | **123** | **51** | **985** |
| | | | | | | | |
| **Financial instruments in current assets** | | | | | | | |
| Derivative financial instruments | 4 | | | | | | |
| Commodity derivatives | | | | 58 | | 128 | 186 |
| Interest rate and currency derivatives | | | 0 | 0 | | 1 | 2 |
| Trade receivables | 24 | 766 | | | | | 766 |
| Other receivables | 24 | 108 | | | | | 108 |
| Short-term interest-bearing receivables | 22 | 119 | | | 241 | | 359 |
| Liquid funds | 25 | 2,903 | | | | | 2,903 |
| **Total financial instruments in current assets** | | **3,895** | **0** | **58** | **241** | **129** | **4,323** |
| **Total** | | **4,612** | **49** | **104** | **363** | **180** | **5,308** |

## Financial assets by category 2024

| EUR million | Note | Amortised cost | Fair value through profit or loss | | | Fair value through other comprehensive income | Total financial assets |
|---|---|---|---|---|---|---|---|
| | | | Hedge accounting, fair value hedges | Non-hedge accounting | Other financial assets | Net investment and Cash flow hedges | |
| **Financial instruments in non-current assets** | | | | | | | |
| Other non-current assets | 21 | 99 | | | 139 | | 238 |
| Derivative financial instruments | 4 | | | | | | |
| Commodity derivatives | | | | 83 | | 79 | 162 |
| Interest rate and currency derivatives | | | 79 | 5 | | 21 | 105 |
| Long-term interest-bearing receivables | 22 | 431 | | | | | 431 |
| **Total financial instruments in non-current assets** | | **530** | **79** | **87** | **139** | **100** | **935** |
| | | | | | | | |
| **Financial instruments in current assets** | | | | | | | |
| Derivative financial instruments | 4 | | | | | | |
| Commodity derivatives | | | | 85 | | 264 | 349 |
| Interest rate and currency derivatives | | | | 26 | | 4 | 30 |
| Trade receivables | 24 | 812 | | | | | 812 |
| Other receivables | 24 | 195 | | | | | 195 |
| Short-term interest-bearing receivables | 22 | 70 | | | 213 | | 283 |
| Liquid funds | 25 | 4,136 | | | | | 4,136 |
| **Total financial instruments in current assets** | | **5,212** | **0** | **111** | **213** | **268** | **5,804** |
| **Total** | | **5,742** | **79** | **198** | **352** | **368** | **6,739** |

## Financial liabilities by category 2025

| EUR million | Note | Amortised cost | Fair value through profit or loss | | | Fair value through other comprehensive income | Lease liabilities | Total financial liabilities |
|---|---|---|---|---|---|---|---|---|
| | | | Hedge accounting, fair value hedges [1] | Non-hedge accounting | Other financial liabilities | Net investment and Cash flow hedges | | |
| **Financial instruments in non-current liabilities** | | | | | | | | |
| Interest-bearing liabilities | 27 | 2,517 | 990 | | | | 87 | 3,595 |
| Derivative financial instruments | 4 | | | | | | | |
| Commodity derivatives | | | | 64 | | 66 | | 131 |
| Interest rate and currency derivatives | | | 31 | 7 | | 5 | | 43 |
| **Total financial instruments in non-current liabilities** | | **2,517** | **1,021** | **71** | | **71** | **87** | **3,768** |
| | | | | | | | | |
| **Financial instruments in current liabilities** | | | | | | | | |
| Interest-bearing liabilities | 27 | 803 | | | 330 | | 18 | 1,151 |
| Derivative financial instruments | 4 | | | | | | | |
| Commodity derivatives | | | | 80 | | 94 | | 175 |
| Interest rate and currency derivatives | | | 1 | 71 | | 11 | | 83 |
| Trade payables | 33 | 322 | | | | | | 322 |
| Other liabilities | 33 | 128 | | | | | | 128 |
| **Total financial instruments in current liabilities** | | **1,253** | **1** | **151** | **330** | **105** | **18** | **1,858** |
| **Total** | | **3,770** | **1,022** | **223** | **330** | **177** | **105** | **5,627** |

1) Fair valued part of bond in fair value hedge relationship.

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35 | 36
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38 | 39
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## Financial liabilities by category 2024

| | | Amortised cost | Fair value through profit or loss | | | Fair value through other comprehensive income | | |
|---|---|---|---|---|---|---|---|---|
| EUR million | Note | | Hedge accounting, fair value hedges [1] | Non-hedge accounting | Other financial liabilities | Net investment and Cash flow hedges | Lease liabilities | Total financial liabilities |
| **Financial instruments in non-current liabilities** | | | | | | | | |
| Interest-bearing liabilities | 27 | 3,268 | 990 | | | | 78 | 4,336 |
| Derivative financial instruments | 4 | | | | | | | |
| Commodity derivatives | | | | 104 | | 61 | | 165 |
| Interest rate and currency derivatives | | | 54 | 0 | | 2 | | 56 |
| **Total financial instruments in non-current liabilities** | | **3,268** | **1,044** | **104** | | **63** | **78** | **4,557** |
| | | | | | | | | |
| **Financial instruments in current liabilities** | | | | | | | | |
| Interest-bearing liabilities | 27 | 200 | | | 275 | | 16 | 492 |
| Derivative financial instruments | 4 | | | | | | | |
| Commodity derivatives | | | | 137 | | 163 | | 300 |
| Interest rate and currency derivatives | | | | 22 | | 11 | | 32 |
| Trade payables | 33 | 361 | | | | | | 361 |
| Other liabilities | 33 | 136 | | | | | | 136 |
| **Total financial instruments in current liabilities** | | **697** | **0** | **159** | **275** | **173** | **16** | **1,321** |
| **Total** | | **3,965** | **1,044** | **263** | **275** | **236** | **94** | **5,878** |

1) Fair valued part of bond in fair value hedge relationship.

# 16 Financial assets and liabilities by fair value hierarchy

## ACCOUNTING POLICIES

Fair value measurements are classified using a fair value hierarchy i.e. Level 1, Level 2 and Level 3 that reflects the significance of the inputs used in making the measurements.

**FAIR VALUES UNDER LEVEL 1 MEASUREMENT HIERARCHY**

The fair value of financial assets and liabilities classified as Level 1 is based on unadjusted quoted prices in active markets at the closing date. Level 1 consist e.g. commodity derivatives traded in active markets.

**FAIR VALUES UNDER LEVEL 2 MEASUREMENT HIERARCHY**

The fair value of financial assets and liabilities classified as Level 2 is based on observable input parameters, which are other than quoted prices.

The fair value of financial instruments traded in active markets in Level 2 is calculated using prices derived from quoted market prices at the closing date. Known calculation techniques, such as estimated discounted cash flows, are used to determine fair value of interest rate and currency financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the closing date. Fair values of options are determined by using option valuation models. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The counterparty credit risk has been taken into account when determining fair value. The credit risk is determined based on a portfolio valuation in a bilateral approach.

The Group bases the calculation on existing market conditions at each closing date. Financial instruments used in Fortum are standardised products that are either cleared via exchanges or widely traded in the market. Credit risk from trading commodity derivatives is mitigated by clearing trades through exchanges or by limiting trades to OTC counterparties considered to be creditworthy, or secured by credit worthy guarantees. Financial derivatives are traded with credit worthy financial institutions with investment grade ratings.

**FAIR VALUES UNDER LEVEL 3 MEASUREMENT HIERARCHY**

The fair value of financial assets and liabilities classified as Level 3 is based on unobservable input parameters.

Level 3 consist mainly investments in unlisted shares classified as other investments for which the fair value can't be reliably measured and derivative financial instrument for which the fair value has been determined using valuation techniques with unobservable inputs. Other investments in level 3 are valued at the acquisition cost and assessed for impairments and other fair value changes at each reporting date. The counterparty credit risk has been adjusted when determining the fair value.

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30
31
32
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34
35 | 36
37
38 | 39
40

## Financial assets

| | | Level 1 | | Level 2 | | Level 3 | | Netting [1] | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **EUR million** | **Note** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| **In non-current assets** | | | | | | | | | | | |
| Other investments [2] | 21 | | | | | 123 | 139 | | | 123 | 139 |
| Derivative financial instruments | | | | | | | | | | | |
| Commodity derivatives | 4 | | | | | | | | | | |
| Hedge accounting | | 0 | 3 | 40 | 76 | | | 0 | | 40 | 79 |
| Non-hedge accounting | | 5 | 6 | 20 | 57 | 20 | 21 | | 0 | 46 | 83 |
| Interest rate and currency derivatives | 4 | | | | | | | | | | |
| Hedge accounting | | | | 59 | 100 | | | | | 59 | 100 |
| Non-hedge accounting | | | | 0 | 5 | | | | | 0 | 5 |
| **Total in non-current assets** | | **5** | **9** | **120** | **237** | **143** | **159** | **0** | **0** | **268** | **405** |
| | | | | | | | | | | | |
| **In current assets** | | | | | | | | | | | |
| Derivative financial instruments | | | | | | | | | | | |
| Commodity derivatives | 4 | | | | | | | | | | |
| Hedge accounting | | 68 | 198 | 94 | 184 | | | -35 | -117 | 128 | 264 |
| Non-hedge accounting | | 39 | 199 | 50 | 90 | 0 | | -32 | -205 | 58 | 85 |
| Interest rate and currency derivatives | 4 | | | | | | | | | | |
| Hedge accounting | | | | 2 | 4 | | | | | 2 | 4 |
| Non-hedge accounting | | | | 0 | 26 | | | | | 0 | 26 |
| Interest-bearing receivables [3] | 22, 27 | 241 | 213 | | | | | | | 241 | 213 |
| **Total in current assets** | | **348** | **610** | **147** | **304** | **0** | **0** | **-67** | **-322** | **429** | **592** |
| **Total in assets** | | **353** | **619** | **267** | **541** | **143** | **159** | **-67** | **-322** | **696** | **997** |

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.

## Financial liabilities

| EUR million | Note | Level 1 2025 | Level 1 2024 | Level 2 2025 | Level 2 2024 | Level 3 2025 | Level 3 2024 | Netting [1] 2025 | Netting [1] 2024 | Total 2025 | Total 2024 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **In non-current liabilities** | | | | | | | | | | | |
| Interest-bearing liabilities [2] | 27 | | | 983 | 990 | | | | | 983 | 990 |
| Derivative financial instruments | | | | | | | | | | | |
| Commodity derivatives | 4 | | | | | | | | | | |
| Hedge accounting | | 6 | 2 | 61 | 59 | | | 0 | | 66 | 61 |
| Non-hedge accounting | | 43 | 42 | 17 | 51 | 5 | 11 | | 0 | 64 | 104 |
| Interest rate and currency derivatives | 4 | | | | | | | | | | |
| Hedge accounting | | | | 35 | 56 | | | | | 35 | 56 |
| Non-hedge accounting | | | | 7 | 0 | | | | | 7 | 0 |
| **Total in non-current liabilities** | | **49** | **44** | **1,103** | **1,156** | **5** | **11** | **0** | **0** | **1,157** | **1,211** |
| | | | | | | | | | | | |
| **In current liabilities** | | | | | | | | | | | |
| Interest-bearing liabilities | 27 | | | 330 | 275 | | | | | 330 | 275 |
| Derivative financial instruments | | | | | | | | | | | |
| Commodity derivatives | 4 | | | | | | | | | | |
| Hedge accounting | | 84 | 187 | 45 | 93 | | | -35 | -117 | 94 | 163 |
| Non-hedge accounting | | 65 | 245 | 44 | 92 | 4 | 6 | -32 | -205 | 80 | 137 |
| Interest rate and currency derivatives | 4 | | | | | | | | | | |
| Hedge accounting | | | | 12 | 11 | | | | | 12 | 11 |
| Non-hedge accounting | | | | 71 | 22 | | | | | 71 | 22 |
| **Total in current liabilities** | | **149** | **432** | **502** | **492** | **4** | **6** | **-67** | **-322** | **588** | **608** |
| **Total in liabilities** | | **198** | **476** | **1,605** | **1,649** | **8** | **17** | **-67** | **-322** | **1,745** | **1,820** |

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 2025, the net fair value of commodity derivatives was EUR -34 million, including assets of EUR 271 million and liabilities of EUR 305 million (2024: EUR 46 million, including assets of EUR 511 million and liabilities of EUR 465 million).

Net fair value amount of interest rate and currency derivatives was EUR -64 million, including assets EUR 62 million and liabilities EUR 126 million (2024: EUR 45 million, including assets of EUR 134 million and liabilities of EUR 89 million). Fortum has cash collateral agreements with some counterparties. At the end of December 2025, Fortum had received EUR 30 million and paid EUR 77 million from foreign exchange and interest rate derivatives under Credit Support Annex agreements.

There were no transfers in or out of levels 1, 2 or 3 during 2025. Gains and losses of level 3 items in consolidated income statement are presented mainly in items affecting comparability. See Note 7 Comparable operating profit and comparable net profit.

## Changes in fair value hierarchy Level 3

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **EUR million** | **Assets** | **Liabilities** | **Assets** | **Liabilities** |
| **Opening balance 1 January** | **160** | **17** | **147** | **11** |
| Purchases and additions | 12 | 0 | 14 | 0 |
| Sales and disposals | -12 | 0 | 0 | 0 |
| Settlements and realised gains/losses in income statement | 0 | -6 | -4 | -2 |
| Unrealised gains/losses in income statement | -16 | -2 | 2 | 8 |
| **Carrying amount at 31 December** | **143** | **8** | **160** | **17** |

# 17 Intangible assets

## ACCOUNTING POLICIES

Intangible assets, except goodwill, are stated at historical cost less accumulated amortisation and impairment losses; and amortised on a straight-line basis over their expected useful lives.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each closing date. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. See further information on the impairment testing in Note 20 Impairment testing.

### GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of net identifiable assets of the acquired subsidiary, associate or joint venture at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets and tested annually for impairment. Goodwill on acquisition of associates and joint ventures is included in investments in associates and joint ventures and is tested for impairment as part of the overall balance. Goodwill is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

### RESEARCH AND DEVELOPMENT COSTS

Generally research and development costs are recognised as expense as incurred and included in other expenses in the consolidated income statement. If certain criteria are met, development costs are capitalised as intangible assets and depreciated over the useful life of the asset.

## CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS: ASSIGNED VALUES AND USEFUL LIVES

Intangible and tangible assets are fair valued at acquisition. Their remaining useful lives are determined and subsequently updated to reflect any changes in the remaining useful life and residual value. Management believes that the assigned fair values in the business acquisitions are reasonable and that the depreciation and amortization times reflect the underlying useful lives of the assets. Different assumptions and assigned lives could have a significant impact on the reported amounts.

The Group has significant carrying values in property, plant and equipment, intangible assets and participations in associated companies and joint ventures which are tested for impairment according to the accounting policy. See further information on the impairment testing in Note 20 Impairment testing.

| | Goodwill | | Other | | Total | |
|---|---|---|---|---|---|---|
| **EUR million** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| **Cost 1 January** | **207** | **249** | **957** | **962** | **1,164** | **1,212** |
| Translation differences and other adjustments | 0 | -9 | 5 | -36 | 5 | -45 |
| Acquisition of subsidiary companies | 5 | 0 | 41 | 0 | 46 | 0 |
| Capital expenditure | 0 | 0 | 64 | 80 | 64 | 80 |
| Disposals | 0 | 0 | -20 | -22 | -20 | -22 |
| Deconsolidation of subsidiary companies [1] | 0 | -34 | 0 | -35 | 0 | -69 |
| Reclassifications | 0 | 0 | 2 | 8 | 2 | 8 |
| **Cost 31 December** | **211** | **207** | **1,049** | **957** | **1,260** | **1,164** |
| | | | | | | |
| **Accumulated amortisation and impairments 1 January** | **1** | **0** | **614** | **569** | **615** | **569** |
| Translation differences and other adjustments | -1 | 0 | 5 | -26 | 3 | -26 |
| Disposals | 0 | 0 | -20 | -21 | -20 | -21 |
| Deconsolidation of subsidiary companies [1] | 0 | 0 | 0 | -24 | 0 | -24 |
| Amortisation for the year | 0 | 0 | 104 | 108 | 104 | 108 |
| Impairment charges | 0 | 1 | 0 | 8 | 0 | 9 |
| **Accumulated amortisation and impairments 31 December** | **0** | **1** | **702** | **614** | **702** | **615** |
| **Carrying amount 31 December** | **211** | **206** | **347** | **343** | **558** | **549** |

1) See Note 3 Acquisitions and disposals.

## Goodwill in groups of cash-generating units

Goodwill is allocated to operating segments corresponding to groups of cash-generating units that benefit from the synergies of the acquired goodwill. See Note 6 Revenue and reportable segments.

| **EUR million** | **2025** | **2024** |
|---|---|---|
| Consumer Solutions | 211 | 205 |
| **Total** | **211** | **206** |

## Other intangible assets

Other intangible assets include customer contracts, and costs for software products and software licenses.

# 18 Property, plant and equipment and right-of-use assets

## ACCOUNTING POLICIES

Property, plant and equipment mainly include power and heat production-related buildings, structures and machinery, waterfall rights, and other buildings and machinery.

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses on the consolidated balance sheet. Historical cost includes expenditure that is directly attributable to the acquisition of an item. Borrowing costs are included in the cost of qualified assets. Additionally, the cost of an item of property, plant and equipment includes the estimated cost of its dismantlement, removal or restoration when there is a contractual obligation towards a third party, or a legal obligation.

Acquired assets on the acquisition of a new subsidiary are stated at their fair values at the date of acquisition.

See Note 31 Other provisions for information about asset retirement obligations, Note 29 Nuclear-related assets and liabilities, for information about provisions for decommissioning nuclear power plants and Note 34 Leases, for information about right-of-use assets.

Land, water areas and waterfall rights are not depreciated since they have indefinite useful lives, except for leased land areas which are depreciated over the lease term. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

| | |
|---|---|
| Hydro power plant buildings, structures and machinery | 40–50 years |
| Thermal power plant buildings, structures and machinery | 25 years |
| Nuclear power plant buildings, structures and machinery | 25 years |
| CHP power plant buildings, structures and machinery | 15–25 years |
| Recycling and waste treatment facility buildings, structures and machinery | 15–40 years |
| Wind power plant structures and machinery | 35 years |
| District heating network | 30–40 years |
| Other buildings and structures | 20–40 years |
| Other tangible assets | 20–40 years |
| Other machinery and equipment | 3–20 years |
| Other non-current investments | 5–10 years |

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the income statement during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each closing date. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. See further information on the impairment testing in Note 20 Impairment testing.

**BORROWING COSTS**

Borrowing costs directly attributable to the construction of qualifying assets are added to the cost of those assets. Qualifying assets are assets that take a substantial time to get ready for their intended use or sale.

| EUR million | Land and waterfall rights 2025 | Land and waterfall rights 2024 | Buildings and structures 2025 | Buildings and structures 2024 | Machinery, equipment and other 2025 | Machinery, equipment and other 2024 | Advances paid and construction in progress 2025 | Advances paid and construction in progress 2024 | Total 2025 | Total 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Cost 1 January** | **2,351** | **2,433** | **2,555** | **2,626** | **4,918** | **5,868** | **393** | **485** | **10,216** | **11,413** |
| Translation differences and other adjustments | 130 | -71 | 70 | -26 | 94 | -52 | 8 | -6 | 301 | -155 |
| Acquisition of subsidiary companies | 0 | 0 | 0 | 0 | 0 | 0 | 43 | 0 | 43 | 0 |
| Capital expenditure [1] | 0 | 0 | 0 | 1 | 0 | 2 | 436 | 402 | 436 | 404 |
| Additions to right-of-use assets | 12 | 4 | 22 | 12 | 9 | 13 | 0 | 0 | 43 | 29 |
| Decreases in right-of-use assets | 0 | -1 | -15 | -1 | 0 | -1 | 0 | 0 | -15 | -3 |
| Nuclear asset retirement cost | 0 | 0 | 0 | 0 | 17 | 31 | 0 | 0 | 17 | 31 |
| Disposals | -1 | -1 | -6 | -22 | -16 | -74 | 0 | -3 | -24 | -99 |
| Deconsolidation of subsidiary companies [2] | 0 | -15 | -2 | -205 | -1 | -1,127 | -15 | -49 | -18 | -1,396 |
| Reclassifications | 16 | 1 | 53 | 169 | 126 | 259 | -197 | -437 | -2 | -8 |
| **Cost 31 December** | **2,507** | **2,351** | **2,676** | **2,555** | **5,146** | **4,918** | **667** | **393** | **10,997** | **10,216** |
| | | | | | | | | | | |
| **Accumulated depreciation 1 January** | **9** | **7** | **1,366** | **1,447** | **2,767** | **3,341** | **3** | **5** | **4,145** | **4,800** |
| Translation differences and other adjustments | 0 | 0 | 34 | -14 | 55 | -34 | 1 | 0 | 90 | -47 |
| Disposals | -1 | 0 | -6 | -21 | -16 | -74 | 0 | -3 | -23 | -98 |
| Deconsolidation of subsidiary companies [2] | 0 | -2 | -2 | -122 | -1 | -657 | -6 | 0 | -9 | -780 |
| Depreciation for the year | 3 | 3 | 67 | 76 | 140 | 190 | 0 | 1 | 211 | 271 |
| Impairment charges | | 0 | | 0 | 4 | 0 | 6 | 0 | 11 | 0 |
| **Accumulated depreciation 31 December** | **11** | **9** | **1,460** | **1,366** | **2,950** | **2,767** | **3** | **3** | **4,425** | **4,145** |
| **Carrying amount 31 December** | **2,496** | **2,342** | **1,216** | **1,188** | **2,195** | **2,151** | **664** | **390** | **6,572** | **6,070** |

1) Includes EUR 0 million (2024: 1) of other asset retirement costs.
2) See Note 3 Acquisitions and disposals.

Property, plant and equipment that are subject to restrictions in the form of real estate mortgages amount to EUR 163 million (2024: 166). See Note 36 Pledged assets and contingent liabilities.

Borrowing costs of EUR 10 million were capitalised in 2025 (2024: 10). The interest rate used for capitalising borrowing costs varied from 2% to 9% (2024: 4%–8%). For constructions financed by the Group, a uniform rate may be used based on interest rates of financial liabilities, including leases.

Property, plant and equipment includes right-of-use assets from leases in which Fortum acts as the lessee. See Note 34 Leases.

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## Climate-related matters

Economic lives and book values of property, plant and equipment reflect approved actions towards Fortum's climate-related targets; as well as maintenance-related capital expenditure to protect Fortum's assets towards climate-related risk, such as investments in hydropower plant dam safety.

Fortum has coal-fired power generation capacity mainly in the Meri-Pori power plant in Finland and the Zabrze and Czestochowa CHPs in Poland.

Fortum is investing approximately EUR 300 million during 2023–2027 in projects within the Espoo Clean Heat programme (Finland) to drive decarbonisation and build sustainable waste heat solutions in the Helsinki metropolitan area, of which EUR 101 million was capitalised in 2025 (2024: 77). In 2025, constructions started in 2024 continued, including an electric boiler/ heat storage in the Nuijala area and heat pumps in the Kolabacken and Hepokorpi area. In April 2024, Fortum closed the last coal-fired unit used for district heat production in the Suomenoja CHP. The closure did not have a material impact on consolidated financial statements.

With regards to the Meri-Pori power plant, the plant's production capacity is reserved from 1 April 2024 to 31 December 2026 for severe disruption and emergencies to guarantee security of supply in the electricity system in Finland. The economic life and book value of the Meri-Pori power plant reflect Fortum's coal exit plans.

With regards to the Czestochowa CHP, Fortum is investing approximately EUR 100 million in the plant's decarbonisation during 2024–2026, of which EUR 42 million was capitalised in 2025 (2024: 3). With regards to the Zabrze CHP, Fortum is investing approximately EUR 85 million in the plant's decarbonisation during 2025–2027, of which EUR 4 million was capitalised in 2025.

To increase low-carbon power generation capacity, Fortum is investing approximately EUR 1,000 million between 2023–2050 on Loviisa, Finland nuclear power plant lifetime extension, of which EUR 62 million was capitalised in 2025 (2024: 54). During 2021–2024 Fortum invested EUR 360 million to the Pjelax wind farm in Finland, of which EUR 28 million capitalised in 2024.

With regards to investments in hydropower modernisation and plant dam safety, Fortum is investing, for example, in Sweden approximately EUR 58 million (SEK 640 million) for an extensive rebuild of the Forshuvud hydropower plant during 2021–2025; EUR 80 million (SEK 890 million) during 2023–2030 to modernise Untra; as well as approximately EUR 20 million (SEK 250 million) during 2024–2026 to modernise and increase production capacity at Malta. In 2025, total of EUR 141 million (2024: 130) was capitalised relating to hydro production, mainly maintenance, legislation and productivity investments.

# 19 Participations in associated companies and joint ventures

## ACCOUNTING POLICIES

The Group's interests in associated companies and joint ventures are accounted for using the equity method of accounting. Assets acquired and liabilities assumed in the investment in associates or joint ventures are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

The Group's share of its associates or joint ventures post-acquisition profits or losses after tax, and the expenses related to the adjustments to the fair values of the assets and liabilities assumed are recognised in the income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. The Group's share of post-acquisition adjustments to associates or joint ventures equity that has not been recognised in the associate's or joint venture's income statement, is recognised directly in Group's shareholder's equity, and against the carrying amount of the investment.

When the Group's share of losses in an associate or a joint venture equals or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Material unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associate or joint venture. Material unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates or joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

If financial information for the reporting period is not available, the share of the profit of certain associated or joint venture companies is included in the consolidated accounts based on the latest available information.

## CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Management is required to make significant judgements when assessing the nature of Fortum's interest in its investees and when considering the classification of Fortum's joint arrangements. In the classification, emphasis has been put on decision making, legal structure and risks of the arrangements.

Management judgement is required when testing the carrying amounts for participations in associated companies and joint ventures for impairment. See Note 20 Impairment testing for more information.

## 19.1 Principal associated companies and joint ventures

| | Forsmarks Kraftgrupp AB | Kemijoki Oy | OKG AB | TVO Oyj |
|---|---|---|---|---|
| Nature of the relationship | Co-owned nuclear company | Co-owned hydro company | Co-owned nuclear company | Co-owned nuclear company |
| Classification | Associated company | Associated company | Associated company | Joint venture |
| Segment | Generation | Generation | Generation | Generation |
| Domicile | Sweden | Finland | Sweden | Finland |
| Ownership interest, % [1] | 26 | 58 | 46 | 26 |
| Votes, % | 26 | 28 | 46 | 26 |

1) Kemijoki and TVO have different series of shares. The ownership interest varies due to the changes in equity assigned to the different share series. In 2025 there were no changes in the ownership interests in Kemijoki and TVO.

### Shareholdings in power production companies

Power plants are often built jointly with other power producers. Under the consortium agreements, each owner is entitled to electricity in proportion to its share of ownership, or other agreements, and each owner is liable for an equivalent portion of costs. The production companies are not profit making, since the owners purchase electricity at production cost, including interest cost and production taxes. The share of profit of these companies is mainly IFRS Accounting Standards adjustments (e.g. accounting for nuclear-related assets and liabilities) and depreciations on fair value adjustments from historical acquisitions since the companies are not profit making under local accounting principles.

Fortum has material shareholdings in such power production companies (mainly nuclear and hydro) that are consolidated using equity method either as associated companies (Forsmarks Kraftgrupp AB, Kemijoki Oy and OKG) or as joint venture (Teollisuuden Voima Oyj (TVO)).

In Sweden, nuclear production company shareholdings are 25.5% ownership of the shares in Forsmarks Kraftgrupp AB and 45.5% ownership of the shares in OKG AB. Excluding non-controlling interests in the subsidiaries, Fortum's participation in the companies are 22.2% and 43.4% respectively, which reflects the share of electricity produced that Fortum can sell further to the market. The minority part of the electricity purchased is invoiced further to each minority owner according to their respective shareholding and treated as pass-through.

In Finland, Fortum has an ownership in power production company TVO that has two series of shares which entitle the shareholders to electricity produced in the different power plants owned by TVO. Shares in series A entitle to electricity produced in nuclear power plants Olkiluoto 1 and 2 and Fortum owns 26.6% of these shares. Series B entitles to electricity produced in Olkiluoto 3 and Fortum's ownership in this share series is 25.0%.

See also Note 29 Nuclear-related assets and liabilities.

The most significant hydro production company shareholding is 63.8% of the hydro shares and 26.7% of the monetary shares in Kemijoki Oy. Each owner of hydro shares is entitled to the hydropower production in proportion to its hydro shareholding.

## Summarised financial information of the principal associated companies

| EUR million | 2025 Forsmarks Kraftgrupp AB | 2025 Kemijoki Oy | 2025 OKG AB | 2024 Forsmarks Kraftgrupp AB | 2024 Kemijoki Oy | 2024 OKG AB |
|---|---|---|---|---|---|---|
| **Balance sheet** | **31 Dec 2024** | **31 Dec 2024** | **31 Dec 2024** | **31 Dec 2023** | **31 Dec 2023** | **31 Dec 2023** |
| Non-current assets | 1,498 | 495 | 859 | 1,570 | 487 | 800 |
| Current assets | 1,454 | 11 | 235 | 1,379 | 37 | 185 |
| Non-current liabilities | 2,068 | 334 | 969 | 2,769 | 323 | 868 |
| Current liabilities | 123 | 121 | 110 | 143 | 149 | 104 |
| Equity | 761 | 52 | 15 | 38 | 52 | 13 |
| Attributable to the owners of the parent | 761 | 52 | 15 | 38 | 52 | 13 |
| | | | | | | |
| **Statement of comprehensive income** | **1 Jan 2024 – 31 Dec 2024** | **1 Jan 2024 – 31 Dec 2024** | **1 Jan 2024 – 31 Dec 2024** | **1 Jan 2023 – 31 Dec 2023** | **1 Jan 2023 – 31 Dec 2023** | **1 Jan 2023 – 31 Dec 2023** |
| Sales | 689 | 93 | 413 | 556 | 97 | 319 |
| Profit or loss | 0 | 1 | 2 | 8 | 1 | 1 |
| Attributable to the owners of the parent | 0 | 1 | 2 | 8 | 1 | 1 |
| Total comprehensive income | 0 | 1 | 2 | 8 | 1 | 1 |
| Attributable to the owners of the parent | 0 | 1 | 2 | 8 | 1 | 1 |
| | | | | | | |
| **Reconciliation to carrying amount in Fortum Group** | | | | | | |
| **Group's interest in the equity of the associate 1 January** | **10** | **30** | **6** | **8** | **30** | **6** |
| Change in share of profit and OCI items | 0 | 0 | 1 | 2 | 0 | 0 |
| **Group's interest in the equity of the associate 31 December** | **194** | **30** | **7** | **10** | **30** | **6** |
| Fair values on acquisitions and different accounting principles [1)] | 116 | 143 | -7 | 269 | 145 | -6 |
| **Carrying amount 31 December** | **310** | **173** | **0** | **279** | **174** | **0** |

1) Impact of different accounting principles include mainly IFRS Accounting Standards adjustments for nuclear-related assets and liabilities, capitalised borrowing costs and fair value adjustment for the acquired assets and liabilities. Fortum records its share of nuclear-related assets and liabilities in its nuclear associated companies according to equity method. The basis for recognition is similar as for Loviisa power plant, see accounting principles in Note 29 Nuclear-related assets and liabilities. In 2024 the amount for Forsmark also included the effect from conversion of shareholder loans to equity.

## Summarised financial information of the principal joint ventures

| EUR million | 2025<br>TVO Oyj | 2024<br>TVO Oyj |
|---|---|---|
| **Balance sheet** | **30 Sep 2025** | **30 Sep 2024** |
| Non-current assets | 7,992 | 8,140 |
| Current assets | 906 | 1,034 |
| of which cash and cash equivalents | 211 | 366 |
| Non-current liabilities | 5,955 | 5,956 |
| of which non-current interest-bearing liabilities | 4,590 | 4,658 |
| Current liabilities | 666 | 974 |
| of which current financial liabilities | 462 | 704 |
| Equity | 2,278 | 2,244 |
| Attributable to the shareholders of the company | 2,278 | 2,244 |

| Statement of comprehensive income | 1 Oct 2024 – 30 Sep 2025 | 1 Oct 2023 – 30 Sep 2024 |
|---|---|---|
| Sales | 878 | 990 |
| Depreciation and amortisation | -256 | -249 |
| Interest income | 131 | 128 |
| Interest expense | -236 | -194 |
| Income tax expense or income | 0 | 0 |
| Profit or loss | 80 | 79 |
| Other comprehensive income | -21 | -29 |
| Total comprehensive income | 59 | 50 |
| Attributable to the shareholders of the company | 59 | 50 |
| | | |
| **Reconciliation to carrying amount in Fortum Group** | | |
| **Group's interest in the equity of the joint venture at 1 January** | **578** | **572** |
| Change in share of profit and OCI items | 7 | 6 |
| Group's interest in the equity of the joint venture 31 December | 585 | 578 |
| Fair values on acquisitions and different accounting principles [1)] | -19 | -18 |
| **Carrying amount 31 December** | **566** | **561** |

1) Impact of different accounting principles include mainly IFRS Accounting Standards adjustments for nuclear-related assets and liabilities. Fortum records its share of nuclear-related assets and liabilities in its nuclear associated companies according to equity method. The basis for recognition is similar as for Loviisa power plant, see accounting principles in Note 29 Nuclear-related assets and liabilities.

# 19.2 Participations in and share of profits from associated companies and joint ventures

## Participations in associated companies and joint ventures on the balance sheet

| EUR million | 2025 | 2024 |
|---|---|---|
| Principal associates | 483 | 453 |
| Principal joint ventures | 566 | 561 |
| Other associates | 69 | 52 |
| Other joint ventures | 217 | 194 |
| **Total** | **1,335** | **1,260** |

## Changes in participation during the year

| | 2025 | | 2024 | |
|---|---|---|---|---|
| EUR million | Associated companies | Joint ventures | Associated companies | Joint ventures |
| **Opening balance 1 January** | **505** | **755** | **326** | **733** |
| Investments | 3 | 24 | 0 | 19 |
| Share of profit of associates and joint ventures | 42 | 14 | -7 | 26 |
| Dividend income received | -1 | -22 | -1 | -12 |
| Divestments and capital returns | 0 | 0 | 0 | -21 |
| Reclassifications | -16 | 6 | 193 | 7 |
| OCI items in associates and joint ventures | 4 | 1 | -2 | -24 |
| Translation differences and other adjustments | 15 | 4 | -4 | 28 |
| **Carrying amount at 31 December** | **552** | **783** | **505** | **755** |

The reclassifications in 2024 mainly related to shareholder loans in Forsmark being converted to equity and thus reclassified to 'Participations in associates and joint ventures'. This conversion did not have any cash flow impact.

For information about investments and divestments of shares in associated companies and joint ventures, see Note 3 Acquisitions and disposals.

## Share of profit of associates and joint ventures

| EUR million | 2025 | 2024 |
|---|---|---|
| **Principal associates** | | |
| Forsmarks Kraftgrupp AB | 13 | 9 |
| Kemijoki Oy | -1 | -2 |
| OKG AB | 16 | -17 |
| **Principal associates, total** | **28** | **-10** |
| **Principal joint ventures** | | |
| TVO Oyj | 14 | 20 |
| **Principal joint ventures, total** | **14** | **20** |
| Other associates | 14 | 3 |
| Other joint ventures | 0 | 6 |
| **Total** | **56** | **19** |

## Comparable share of profit of associates and joint ventures

| EUR million | 2025 | 2024 |
|---|---|---|
| **Share of profit of associates and joint ventures** | **56** | **19** |
| Adjustments to share of profit of associates and joint ventures | -27 | -49 |
| **Comparable share of profit of associates and joint ventures** | **28** | **-30** |

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

Share of profits from other associates in 2025 includes a positive impact from the transfer of decommissioning and restoration obligations and related assets that arise from Posiva's final disposal activities. An offsetting impact is included in nuclear fund adjustment in Finance cost - net and Income tax expenses.

See Note 29 Nuclear-related assets and liabilities.

# 20 Impairment testing

### ACCOUNTING POLICIES

The carrying values of goodwill, other intangible assets, property, plant and equipment, right-of-use assets, and non-financial investments are reviewed regularly for indication of impairment. Indications of impairment are business-specific and are thus analysed separately by each segment; and include risks, such as changes in electricity, gas, heat and fuel prices, regulatory/political risks relating to energy taxes, price regulations, limitations to the lifetime of assets as well as climate-related transition risks and physical risks. Impairment testing is performed if there is an indication of impairment; and the asset is written down to its recoverable amount if its carrying amount is greater than the estimated recoverable amount.

In addition, goodwill and other intangible assets that have an indefinite useful life, and as such are not subject to amortisation, are tested annually for impairment, even if there is no indication of impairment. Impairment testing is performed on a cash-generating unit level and documented annually in connection with the long-term forecasting process.

Fortum uses value in use or fair value less cost of disposal to establish the recoverable amount of cash-generating units. Value in use is determined by discounting future cash flows expected to be derived from the use of assets. Fair value less cost of disposal represent the market approach and is determined with a discounted cash flow model, where the assumptions on cash flows and discount rate reflect market expectations. The carrying amount of the cash generating units comprises operating assets, including goodwill and fair value adjustments arising from acquisitions.

### CRITICAL ACCOUNTING ESTIMATE: RECOVERABLE AMOUNT OF CASH-GENERATING UNITS

Impairment testing is forward-looking and requires management to make certain assumptions. The recoverable amounts of cash-generating units are determined by discounted cash flow models. The estimated future cash flows are based on the most recent, long-term forecast in local currency and long-term assumptions approved by management covering an explicit forecast period of six years (2024: three years). The explicit forecast period is longer than five years as significant assets used by the business, such as power plants, have useful lives exceeding 20 years.

The period covered by cash flows is related to the useful lives of the assets being reviewed for impairment. Cash flow projections beyond the explicit forecast period are estimated by extrapolating projections using a steady or declining growth rate. The growth rate used to extrapolate the cash flow projections until the end of assets' useful lives is in line with the assumed inflation, taking into consideration market outlook forecast.

In measuring value in use, cash flows related to future investments, such as a new plant, are included only if the project has been started.

Preparation of these cash flow estimates requires management to make assumptions relating to future expectations including the impacts of climate change. Assumptions vary depending on the business tested. Approved actions towards Fortum’s climate targets are reflected in the assumptions used in the impairment testing.

The discount rates reflect current assessments of the time value of money and relevant market risk premiums specific to each cash-generating unit, reflecting risks and uncertainties for which the future cash flow estimates have not been adjusted.

Key assumptions used in impairment testing are presented below, as well as the basis for determining the value of each assumption. Assumptions are based on internal and external data that are consistent with observable market information, when applicable.

| Key assumptions | Basis for determining the value for key assumptions |
|---|---|
| Power market development | Historical analysis and prospective forecasting |
| Regulation framework | Current market setup and regulation as well as expected development based on info given by regulators |
| Utilisation of power plants and treatment facilities | Past experience, technical assessment and forecasted market development |
| Forecasted maintenance investments and refurbishments | Past experience, technical assessment and planned maintenance work |
| Discount rate | Mostly market based information |

## Annual impairment testing

Annual impairment testing was performed as at 31 December 2025 on Heating and Cooling Nordics and Consumer Solutions cash-generating units. Heating and Cooling Nordics cash-generating unit was tested due to ongoing investments programme, and Consumer Solutions as the cash-generating unit has goodwill. Recoverable amounts of the cash-generating units were greater than their carrying values and therefore no impairments were recognised. Fortum uses value in use to establish the recoverable amount of cash-generating units. Currently only the Consumer Solutions cash-generating unit has goodwill. See allocation of goodwill to cash-generating units in Note 17 Intangible assets. See also Note 2 Critical accounting estimates and judgements.

Heating and Cooling Nordics impairment testing includes cash flows for the Espoo Clean Heat project. The project drives decarbonisation and builds sustainable waste heat solutions in the Helsinki metropolitan area with a target of carbon-neutral district heat production before 2030. See Note 18 Property, plant and equipment and right-of-use assets for details.

Cash flows used for Consumer Solutions impairment testing are in line with Fortum's target to reduce Scope 3 emissions, assuming, e.g., that absolute gas sales volumes in Poland will decrease by 2031 and that remaining emissions from gas sales are compensated. Assumption is that the compensation can be added to price.

The discount rates and long-term growth rates used in impairment testing were as follows:

| | Pre-tax discount rate | | Long-term growth rate | |
|---|---|---|---|---|
| % | 2025 | 2024 | 2025 | 2024 |
| Consumer Solutions | 11.2 | 12.4 | 2.0 | 2.5 |
| Heating and Cooling Nordics | 7.2 | 6.9 | 2.0 | 2.0 |

The Group has considered the sensitivity of key assumptions as part of the impairment testing for goodwill and indefinite-lived intangible assets. When doing this, any consequential effect of the change on the other variables has also been considered. The calculations are most sensitive to changes in estimated future EBITDA levels, and changes in discount rate. Management estimates that no reasonably possible change in the discount rate used, or in future earnings would cause the carrying amount to exceed its recoverable amount.

## 21 Other non-current assets

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Other investments | | 123 | 139 |
| Pension assets | 32 | 64 | 40 |
| Interest-free receivables | | 88 | 59 |
| **Total** | | **274** | **238** |

Other investments includes shares in unlisted companies. Interest-free receivables mainly include prepaid expenses, accrued income and non-current interest free loan receivables.

## 22 Interest-bearing receivables

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **EUR million** | **Carrying amount** | **Fair value [1)]** | **Carrying amount** | **Fair value [1)]** |
| Long-term loan receivables from associates and joint ventures | 565 | 567 | 431 | 431 |
| **Total long-term interest-bearing receivables** | **565** | **567** | **431** | **431** |
| Collateral arrangement | 241 | 241 | 213 | 213 |
| Collateral for default fund | 87 | 87 | 62 | 62 |
| Other short-term interest-bearing receivables | 32 | 32 | 7 | 7 |
| **Total short-term interest-bearing receivables** | **359** | **359** | **283** | **283** |
| **Total** | **925** | **926** | **714** | **714** |

1) Fair values do not include accrued interest.

Long-term interest-bearing receivables include receivables from associated companies and joint ventures of EUR 565 million (2024: 431). These receivables include EUR 480 million (2024: 352) from Swedish nuclear companies, Forsmarks Kraftgrupp AB and OKG AB, which are mainly funded with shareholder loans, pro-rata to each shareholder's ownership. See Note 27 Interest-bearing liabilities.

# 23 Inventories

## ACCOUNTING POLICIES

Inventories are stated at the lower of cost and net realisable value being the estimated selling price for the end product, less applicable variable selling expenses and other production costs. Cost is generally determined using the weighted average cost method.

### EMISSION ALLOWANCES AND ENERGY ATTRIBUTABLE CERTIFICATES

Inventories include $CO_2$ emission allowances under EU Emission Trading System (EU ETS) and renewable energy certificates under compulsory quota obligation schemes or voluntary other trading schemes incentivising the generation of green energy which are in place in Nordics and Poland. These systems require power suppliers to obtain renewable energy certificates to meet their national obligations or suppliers, that sell or use renewable or nuclear energy in the marketing, to verify the origin and proportion of energy sources. Energy attributable certificates are issued to producers of renewable and nuclear energy.

$CO_2$ emission allowances in Fortum are used to cover emissions caused by power and heat production. Currently Fortum receives a share of its $CO_2$ emission allowances for free according to EU ETS regulation.

Fortum receives energy attributable certificates for the renewable and nuclear energy generation in the Generation segment, but also has quota obligations arising from the retail electricity sales in the Consumer Solutions segment to return or to cancel renewable energy certificates.

$CO_2$ emission allowances and renewable and nuclear energy certificates received free of charge are accounted for at zero nominal value. Purchases of $CO_2$ emissions allowances and renewable energy certificates which are Fortum's ordinary purchases are accounted for at contracted purchase price. Purchases of $CO_2$ emission allowances and renewable energy certificates, which are not Fortum's ordinary expected sales, purchase or usage are accounted for as derivatives and are recognised at market price applicable at the time of delivery.

$CO_2$ emission cost liability and renewable energy certificate quota obligations are settled by returning or cancelling the emission allowances and renewable energy certificates. To the extent that the Group already holds $CO_2$ allowances and renewable energy certificates, the obligation is measured at the carrying amount of those. Any deficit to cover the settlement obligation is valued at the current market value of $CO_2$ allowances and renewable energy certificates. The obligation for these are presented in Other payables with maturity under one year, see Note 33 Trade and other payables.

The cost for emissions and quota obligation are recognised in the consolidated income statement within materials and services. Also, purchased $CO_2$ , allowances and renewable energy certificates are recognised within materials and services, while the corresponding sales is recognised in net sales. See Notes 6 Revenue and reportable segments and 9 Materials and services.

| EUR million | 2025 | 2024 |
|---|---|---|
| Raw materials and supplies | 318 | 298 |
| Emission rights and renewable energy certificates | 64 | 70 |
| Other | 130 | 53 |
| **Total** | **512** | **420** |

Raw materials and supplies mainly consist of fuels consumed in the production process, or in the rendering of services; and include, in particular, uranium, nuclear fuel rods and coal. Other contains mainly prepayments for goods not yet received.

# 24 Trade and other receivables

## ACCOUNTING POLICIES

Trade receivables comprise revenue from electricity, gas, heat and cooling that has been delivered, measured, and invoiced, as well as receivables from already delivered but not yet invoiced energy.

Impairment losses for trade receivables are calculated according to the expected credit loss (ECL) model. Loss allowances on trade receivables are measured at an amount equal to lifetime expected credit losses.

An allowance is made on the balance sheet for the expected future credit losses and remains on the balance sheet until it is written off as a credit loss or reversed. Allowances may remain on the balance sheet for several years pending the outcome of collection processes and court proceedings. Write-off policies differ by country depending on local legislation and assessment of recovery possibilities. For large trade receivables, ECL is calculated for the individual customer based on the estimated probability of default and expected recovery rate for the customer. These estimates are derived from available market data when possible, or based on the customer's rating. Adjustments are made if there are indications of decreased creditworthiness, e.g. based on payment behaviour. ECL for trade receivables from small customers are calculated on portfolio basis by country and business segment. The credit loss allowances are based on historical analysis of losses when possible, or on average default rates for customers based on externally available information. These rates are adjusted if there are any forward-looking indicators showing changes in expected credit losses. Trade receivables overdue more than 180 days are generally considered to be credit-impaired and allowances are made for the full amount, adjusted for expected recovery rates.

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Trade receivables | | 766 | 812 |
| Accrued income and prepaid expenses | | 51 | 134 |
| Income tax receivables | 28 | 16 | 101 |
| Other | | 58 | 61 |
| **Total** | | **889** | **1,108** |

Change in accrued income and prepaid expenses relates mainly to the short-term receivable from the Finnish State Nuclear Waste Management Fund, which decreased from EUR 65 million to EUR 7 million, see Note 29 Nuclear-related assets and liabilities. Other category includes mainly other current interest free receivables.

## Trade receivables

### Ageing analysis of trade receivables

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| EUR million | Gross | Expected credit loss allowance | Expected credit loss rate, % | Gross | Expected credit loss allowance | Expected credit loss rate, % |
| Not past due | 728 | 7 | 1 | 776 | 7 | 1 |
| Past due 1–30 days | 37 | 2 | 5 | 34 | 2 | 6 |
| Past due 31–90 days | 4 | 1 | 30 | 4 | 1 | 25 |
| Past due 91–180 days | 1 | 1 | 63 | 2 | 1 | 76 |
| Past due more than 181 days | 48 | 42 | 88 | 44 | 36 | 83 |
| **Total** | **819** | **53** | **6** | **859** | **48** | **6** |

### Changes in expected credit loss allowance

| EUR million | 2025 | 2024 |
|---|---|---|
| **1 January** | **48** | **44** |
| Expected credit loss allowance recognised during the year | 7 | 5 |
| Write-offs | -1 | -2 |
| Translation differences and other changes | 0 | 0 |
| **31 December** | **53** | **48** |

### Trade receivables by currency (Gross)

| EUR million | 2025 | 2024 |
|---|---|---|
| EUR | 234 | 272 |
| PLN | 287 | 288 |
| SEK | 166 | 179 |
| NOK | 130 | 120 |
| Other | 1 | 0 |
| **Total** | **819** | **859** |

Trade receivables are arising from a large number of customers mainly in EUR, PLN, SEK and NOK mitigating the concentration of risk.

For further information regarding credit risk management and credit risks, see Counterparty and credit risks in the Operating and financial review and Note 4.4 Credit risk.

# 25 Liquid funds

## ACCOUNTING POLICIES

Cash and cash equivalents in Liquid funds include cash in hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less. Cash and cash equivalents, deposits and commercial papers are measured at amortised cost.

Drawn amount of bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Trading-related cash collaterals are included in margin receivables and otherwise restricted cash is treated as short-term interest-bearing receivables.

| EUR million | 2025 | 2024 |
|---|---|---|
| Cash at bank and in hand | 2,869 | 1,713 |
| Deposits and securities with maturity under 3 months | 0 | 2,332 |
| **Cash and cash equivalents** | **2,869** | **4,045** |
| Deposits and commercial papers with maturity more than 3 months but less than 12 months | 33 | 90 |
| **Total** | **2,903** | **4,136** |

The Group's liquid funds totalled EUR 2,903 million (2024: 4,136). Liquid funds totalling EUR 2,773 million (2024: 4,090) are placed with counterparties that have an investment grade credit rating.

The average interest rate for the liquid funds was 2.1% at the balance sheet date (2024: 3.0%).

Fortum had undrawn committed credit facilities of EUR 3,806 million, including the Core revolving credit facility of EUR 2,206 million, with maturity in June 2027 and two EUR 800 million bilateral revolving credit facilities with maturity in June 2027 and January 2028. In addition, Fortum has EUR 100 million committed overdraft limits that are valid until further notice.

For further information regarding credit risk management and credit risks, see Note 4.4 Credit risk.

# 26 Share capital

| | 2025 | 2024 |
|---|---|---|
| Number of registered shares at 1 January and 31 December | 897,264,465 | 897,264,465 |
| Share capital, EUR million, 1 January and 31 December | 3,046 | 3,046 |

Fortum Corporation has one class of shares. By the end of 2025, a total of 897,264,465 shares had been issued. Each share entitles the holder to one vote at the Annual General Meeting. All shares entitle holders to an equal dividend. At the end of 2025 Fortum Corporation's share capital, paid in its entirety and entered in the trade register, was EUR 3,046,185,953.00.

Fortum Corporation's shares are listed on Nasdaq Helsinki. The trading code is FORTUM. Fortum Corporation's shares are in the Finnish book entry system maintained by Euroclear Finland Ltd.

Details on the President and CEO and other members of the Fortum Leadership Team's shareholdings is presented in Note 10 Employee benefits and Board remuneration.

# 27 Interest-bearing liabilities

## Financial net debt

| EUR million | 2025 | 2024 |
|---|---|---|
| **+ Interest-bearing liabilities** | **4,746** | **4,828** |
| **- Liquid funds** | **2,903** | **4,136** |
| **- Collateral arrangement** | **241** | **213** |
| - Margin receivables | 179 | 205 |
| +Margin liabilities | 55 | 93 |
| **+/- Net margin liabilities/receivables** | **-124** | **-111** |
| **Financial net debt** | **1,479** | **367** |

Interest-bearing liabilities of EUR 4,746 million includes Fortum's collateral arrangement to the Nordic Power Exchange totalling EUR 328 million (2024: 275). Equalling amount is included in short-term interest-bearing receivables of which collateral relating to margin requirement EUR 241 million (2024: 213) is netted from the Financial net debt in the Collateral arrangement row. However, the collateral for default fund EUR 87 million (2024: 62) is not netted from the Financial net debt. See Note 22 Interest-bearing receivables.

## Interest-bearing liabilities

| EUR million | 2025 | 2024 |
|---|---|---|
| Non-current loans | 3,507 | 4,258 |
| Current loans | 1,133 | 476 |
| **Total loans** | **4,641** | **4,733** |
| Non-current lease liabilities | 87 | 78 |
| Current lease liabilities | 18 | 16 |
| **Total lease liabilities** | **105** | **94** |
| **Total** | **4,746** | **4,828** |

| EUR million | 2025 | 2024 |
|---|---|---|
| Bonds | 2,000 | 2,755 |
| Loans from financial institutions | 362 | 374 |
| Reborrowing from the Finnish State Nuclear Waste Management Fund | 951 | 951 |
| Lease liabilities | 87 | 78 |
| Other long-term interest-bearing liabilities | 195 | 178 |
| **Total long-term interest-bearing liabilities** | **3,595** | **4,336** |
| Current portion of long-term bonds | 750 | 0 |
| Current portion of loans from financial institutions | 17 | 17 |
| Commercial paper liabilities | 5 | 105 |
| Current portion of lease liabilities | 18 | 16 |
| Collateral arrangement liabilities | 360 | 350 |
| Other short-term interest-bearing liabilities | 1 | 3 |
| **Total short-term interest-bearing liabilities** | **1,151** | **492** |
| **Total** | **4,746** | **4,828** |

## Loans

| | | | Repricing | | | | | |
|---|---|---|---|---|---|---|---|---|
| EUR million | Effective interest rate, % | Carrying amount 2025 | Under 1 year | 1–5 years | Over 5 years | Fair value 2025 [5] | Carrying amount 2024 | Fair value 2024 [5] |
| Bonds | 3.0 | 2,750 | 749 | 1,248 | 753 | 2,770 | 2,755 | 2,757 |
| Loans from financial institutions [1] | 4.0 | 379 | 379 | | | 379 | 390 | 396 |
| Reborrowing from the Finnish State Nuclear Waste Management Fund [2] | 3.0 | 951 | 951 | | | 951 | 951 | 953 |
| Other long-term loans | 4.3 | 195 | 195 | | | 194 | 179 | 179 |
| **Total long-term loans [3]** | **3.2** | **4,274** | **2,274** | **1,248** | **753** | **4,295** | **4,274** | **4,284** |
| Collateral arrangement liabilities | 1.6 | 360 | 360 | | | 360 | 350 | 350 |
| Commercial paper liabilities | 2.6 | 5 | 5 | | | 5 | 105 | 105 |
| Other short-term loans | 1.9 | 1 | 1 | | | 1 | 3 | 3 |
| **Total short-term loans** | **1.6** | **366** | **366** | | | **366** | **459** | **459** |
| **Total [4]** | **3.1** | **4,641** | **2,640** | **1,248** | **753** | **4,661** | **4,733** | **4,743** |

1) Effective interest rate includes periodized cost of undrawn revolving credit facilities.
2) 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.
3) Includes current portion of long-term loans of EUR 767 million (2024: 17).
4) The average interest rate on loans and derivatives was 3.1% (2024: 3.8%).
5) Fair values do not include accrued interest.

In May, Fortum extended the maturity of the EUR 300 million green loan by one year to mature in June 2030. Additionally, in June, EUR 800 million bilateral revolving credit facility was refinanced to mature in June 2027 (with one year lender's extension option).

In December, EUR 800 million bilateral revolving credit facility maturing in January 2027, was refinanced with new maturity in January 2028.

Total current loans, EUR 1,133 million (2024: 476), include the current portion of long-term loans, EUR 767 million (2024: 17), and short-term loans EUR 366 million (2024: 459).

Current portion of long-term loans, EUR 767 million, consist of maturing EUR 750 million bond and EUR 17 million loans from financial institutions. Short-term loans, EUR 366 million, include EUR 360 million collateral arrangements and use of commercial paper programmes of EUR 5 million.

The average interest rate for the portfolio of EUR loans was 3.0% at the balance sheet date (2024: 3.6%). The average interest rate on total loans and derivatives was 3.1% at the balance sheet date (2024 : 3.8%).

For more information, see Note 4 Financial risk management, Note 34 Leases, Note 36 Pledged assets and contingent liabilities and Note 38 Related party transactions.

## Reconciliation of interest-bearing liabilities

| EUR million | 1 Jan 2025 | Deconsolidation of subsidiary companies | Cash flow from financing activities | Non-cash changes: Non-cash collateral arrangement | Non-cash changes: Valuation differences/ Change in consolidation | Non-cash changes: Lease liabilities | 31 Dec 2025 |
|---|---|---|---|---|---|---|---|
| Bonds | 2,755 | | | | -5 | | 2,750 |
| Loans from financial institutions | 390 | | -17 | | 6 | | 379 |
| Reborrowing from the Finnish State Nuclear Waste Management Fund | 951 | | | | | | 951 |
| Other interest-bearing liabilities | 179 | | 14 | | 2 | | 195 |
| Short-term loans | 459 | | -149 | 58 | -2 | | 366 |
| Lease liabilities | 94 | -1 | -18 | | | 30 | 105 |
| **Total** | **4,828** | **-1** | **-170** | **58** | **1** | **30** | **4,746** |

| EUR million | 1 Jan 2024 | Deconsolidation of subsidiary companies | Cash flow from financing activities | Non-cash changes: Non-cash collateral arrangement | Non-cash changes: Valuation differences/ Change in consolidation | Non-cash changes: Lease liabilities | 31 Dec 2024 |
|---|---|---|---|---|---|---|---|
| Bonds | 2,736 | | | | 19 | | 2,755 |
| Loans from financial institutions | 1,306 | | -917 | 0 | 1 | | 390 |
| Reborrowing from the Finnish State Nuclear Waste Management Fund | 951 | | | | | | 951 |
| Other interest-bearing liabilities | 200 | | | | -21 | | 179 |
| Short-term loans | 599 | | -37 | -100 | -3 | | 459 |
| Lease liabilities | 118 | -25 | -22 | | | 23 | 94 |
| **Total** | **5,909** | **-25** | **-975** | **-100** | **-4** | **23** | **4,828** |

## Bond issues

| Issued/Maturity | Interest basis | Interest rate, % | Effective interest, % | Currency | Nominal value EUR million | Carrying amount EUR million |
|---|---|---|---|---|---|---|
| Fortum Corporation EUR 6,000 million EMTN Programme [1] | | | | | | |
| 2019/2026 | Fixed | 1.625 | 1.638 | EUR | 750 | 749 |
| 2023/2028 | Fixed | 4.000 | 4.078 | EUR | 500 | 503 |
| 2019/2029 | Fixed | 2.125 | 2.247 | EUR | 750 | 745 |
| 2023/2033 | Fixed | 4.500 | 4.537 | EUR | 650 | 656 |
| 2013/2043 | Fixed | 3.500 | 3.719 | EUR | 100 | 97 |
| **Total carrying amount 31 December 2025** | | | | | | **2,750** |

1) EMTN = Euro Medium Term Note

# 28 Income taxes on the balance sheet

## ACCOUNTING POLICIES

Current taxes are based on the Group's taxable profit for the year. Taxable profit usually differs from the accounting profit based on IFRS Accounting Standards because some income and expenses are recognized in different periods for tax purposes, or are not taxable/deductible at all. The current tax charge is measured using the tax rates which are enacted (or substantively enacted) by the reporting date.

Deferred taxes are accounted for in full on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax bases. Exceptions to this include that no deferred tax is recognized on temporary differences arising from the initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction affects neither accounting profit nor taxable profit. In such cases, recognizing a deferred tax would be inappropriate because the transaction initially has no impact on earnings. Deferred tax is measured using the tax rates and laws enacted (or substantively enacted) by the balance sheet date, and which are expected to apply when the deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognised only if it is probable (more likely than not) that future taxable profits will be available to utilize the deductible temporary differences, unused losses, or credits. In other words, management expects sufficient taxable income in the future to justify deferred tax assets. Deferred tax assets and liabilities are offset in the balance sheet only when they arise in the same jurisdiction and the entity has a legal right to offset current tax balances.

Deferred tax liabilities are recognized on taxable temporary differences related to investments in subsidiaries, associates, and joint ventures (for example, undistributed profits), except when Fortum can control the timing of reversal of the difference and it is probable that the difference will not reverse in the foreseeable future. In such cases, no deferred tax is recognized on the subsidiary or associate's undistributed earnings.

Fortum recognises a tax liability (and related expense) for uncertain tax treatments if it concludes that it is probable that the tax authority (including, where applicable, a court or tribunal) will require an additional payment. Conversely, if Fortum believes a tax authorities' claim is not likely to be upheld (i.e. the claim is deemed unjustified), no liability is recorded. Any payments made for disputed taxes in such cases are recorded as a receivable (prepayment) until the dispute is resolved. If the final resolution of a tax dispute differs from the amounts initially recorded, the difference is adjusted through the tax expense (and related tax balance) in the period when the matter is resolved. This approach is consistent with IFRIC 23, which requires companies to reflect uncertainties in income taxes when it is not probable that the tax treatment will be accepted by authorities or court. Fortum's policy is to be transparent and cooperative with tax authorities, assuming full disclosure of all relevant facts.

Fortum applies the IAS 12 temporary exception regarding the OECD Pillar Two global minimum tax rules. This means the Group does not recognise or disclose any deferred tax assets or liabilities related to Pillar Two in these financial statements.

## CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS: ASSUMPTIONS AND ESTIMATES REGARDING FUTURE TAX CONSEQUENCES

Fortum's deferred tax assets and liabilities are expected to be realized over extended periods into the future. Calculating these deferred tax balances requires management to make assumptions and estimates about future tax outcomes arising from the temporary differences between the accounting carrying values of assets/liabilities and their tax values (bases).

Key assumptions underlying these estimates include: (i) future operating performance of major subsidiaries will be similar to historical trends (i.e., subsidiaries will generate taxable profits consistent with past levels); (ii) utilization periods for tax loss carryforwards will remain as currently enacted (no unexpected shortening of loss carryforward periods); and (iii) tax laws and rates in Fortum's key jurisdictions will remain substantially unchanged in the foreseeable future. Management believes these assumptions are reasonable and has used them in determining the deferred tax assets and liabilities.

Fortum continuously reassesses the recoverability of deferred tax assets, taking into account not only actual past results but also medium and long-term business plans and forecasts. Ultimately, a deferred tax asset is recognized only to the extent that the estimates are probable that the company will generate sufficient taxable profits in the foreseeable future to utilize unused tax losses, credits, or deductible temporary differences. This evaluation is updated each reporting period as new information arises.

Consistent with Fortum's Tax Principles and IFRS Accounting Standards requirements, the Group evaluates each uncertain tax position by assessing the likelihood that the tax authority (or a court) will accept Fortum's treatment. The company also seeks external expert advice (legal opinions) for significant uncertain tax matters to support its judgements.

## 28.1 Deferred taxes on the balance sheet

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| EUR million | Deferred tax assets | Deferred tax liabilities | Net deferred taxes | Deferred tax assets | Deferred tax liabilities | Net deferred taxes |
| 1 January | 845 | -386 | **459** | 958 | -428 | **530** |
| Change | -33 | 24 | **-8** | -113 | 42 | **-71** |
| 31 December | 812 | -362 | **451** | 845 | -386 | **459** |

Deferred tax assets are recognised to the extent it is probable that future taxable profit will be available against which the unused tax losses, unused tax credits and deductible temporary differences can be utilised in the relevant jurisdictions. As of 31 December 2025, Fortum has recognised deferred tax assets of EUR 812 million (2024: 845).

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

## Movement in deferred tax assets and liabilities 2025

| EUR million | Intangible assets | Property, plant and equipment and right-of-use assets | Pension obligations | Provisions | Derivative financial instruments | Tax losses and interest carry-forward | Other | Net deferred taxes |
|---|---|---|---|---|---|---|---|---|
| **1 January 2025** | **-55** | **-365** | **-5** | **-28** | **-14** | **907** | **19** | **459** |
| Charged to income statement | 3 | -4 | 0 | -3 | 1 | -24 | 12 | -14 |
| Charged to other comprehensive income | 0 | 0 | -7 | 0 | 22 | 0 | 0 | 16 |
| Exchange rate differences, reclassifications and other changes | 0 | -8 | 0 | -2 | 0 | 3 | 1 | -8 |
| Acquisitions [1)] | -3 | 0 | 0 | 1 | 0 | 0 | 1 | -2 |
| **31 December 2025** | **-55** | **-378** | **-12** | **-33** | **9** | **886** | **33** | **451** |

1) Acquisitions of subsidiary companies in 2025 included the acquisition of Orange Energia SP. z o.o. in Poland. See Note 3.1 Acquisitions.

## Movement in deferred tax assets and liabilities 2024

| EUR million | Intangible assets | Property, plant and equipment and right-of-use assets | Pension obligations | Provisions | Derivative financial instruments | Tax losses and interest carry-forward | Other | Net deferred taxes |
|---|---|---|---|---|---|---|---|---|
| **1 January 2024** | **-61** | **-452** | **-2** | **-12** | **90** | **915** | **52** | **530** |
| Charged to income statement | 4 | 2 | 0 | -12 | 11 | 9 | -27 | -14 |
| Charged to other comprehensive income | 0 | 0 | -4 | 0 | -114 | 0 | 0 | -118 |
| Exchange rate differences, reclassifications and other changes | 3 | 5 | 0 | 1 | -1 | -14 | -7 | -13 |
| Disposals [1)] | 0 | 81 | 0 | -5 | 0 | -3 | 0 | 74 |
| **31 December 2024** | **-55** | **-365** | **-5** | **-28** | **-14** | **907** | **19** | **459** |

1) Disposals of subsidiary companies in 2024 included the divestment of the recycling and waste business. See Note 3.2 Disposals.

The net change in deferred taxes during 2025 is primarily due to an increase in deferred tax related to derivatives in other comprehensive income. The deferred tax asset on tax loss carry forward resides mainly in Ireland, resulting from the Uniper divestment in 2022 and Russia-related impairments in 2022 and 2023. Fortum has prepared a comprehensive forecast to assess the future profitability of the Irish legal entity holding the loss carried forward, and has relied on this estimate to support the value of the deferred tax asset, which amounts to EUR 731 million at 31 December 2025 (2024: 780) . The utilisation of tax losses in Ireland in 2025 was in line with the estimate.

## Expiry of tax losses and interest carried forward and recognised deferred tax assets

| | 2025 | | 2024 | |
|---|---|---|---|---|
| EUR million | Tax losses and interest carried forward | Deferred tax asset | Tax losses and interest carried forward | Deferred tax asset |
| Tax losses carried forward with expiry less than 1 year | 0 | 0 | 0 | 0 |
| Tax losses carried forward with expiry between 1–5 years | 0 | 0 | 3 | 1 |
| Tax losses carried forward with expiry more than 5 years | 10 | 1 | 6 | 2 |
| Tax losses carried forward without expiration date | 6,003 | 771 | 6,369 | 812 |
| **Total** | **6,013** | **772** | **6,378** | **815** |
| Interest carried forward with expiry less than 1 year | 0 | 0 | 0 | 0 |
| Interest carried forward with expiry between 1–5 years | 140 | 58 | 132 | 27 |
| Interest carried forward with expiry more than 5 years | 306 | 35 | 190 | 40 |
| Interest carried forward without expiration date | 87 | 20 | 108 | 25 |
| **Total** | **533** | **113** | **430** | **92** |

Deferred tax assets are recognised for tax losses carried forward and interest carried forward to the extent that the realisation of the related tax benefit through future profits is probable. The decrease in tax losses carried forward is primarily due to utilisation of losses recognised in Ireland. Tax losses carried forward in Ireland has no expiration.

The increase in interest carried forwards is mostly attributed to the rise in interest rates on loans and insufficient profits in Sweden and Norway, where interest cost deduction is limited by local legislation to a percentage of taxable EBITDA according to EU Anti Tax Avoidance Directive (ATAD) requirements.

## Unrecognised deferred tax

The amount of deductible temporary differences, tax losses carried forward, interest carried forward, and tax credits for which no deferred tax asset was recognised due to uncertainty of utilisation:

| | Tax losses carried forward | | Tax credits | | Interest carried forward | | Deductible temporary differences | |
|---|---|---|---|---|---|---|---|---|
| EUR million | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| with expiry less than 1 year | 6 | 3 | 0 | 0 | 0 | 0 | 0 | 0 |
| with expiry between 1–5 years | 5 | 9 | 0 | 0 | 1 | 0 | 0 | 0 |
| with expiry more than 5 years | 2 | 17 | 0 | 0 | 0 | 0 | 0 | 0 |
| without expiration date | 181 | 252 | 5 | 5 | 65 | 84 | 1,095 | 997 |
| **Total** | **194** | **280** | **5** | **5** | **66** | **84** | **1,095** | **997** |

The unrecognised amounts in deductible temporary differences, interest carried forward and tax losses carried forward were materially formed in 2023 by the following transactions: in Finland, EUR 475 million of temporary differences was related to the write-down of Russian shares, and in the Netherlands, EUR 746 million of tax losses, interest carried forward and deductible temporary differences was due to Russia-related loan impairments. The deferred tax asset on these losses was recognised consequently in Ireland.

Deferred tax liabilities were continued not to be recognised on taxable temporary differences of EUR 23 million (2024: 23) relating to investments in subsidiaries as Fortum can control the reversal effect, and it is probable that temporary differences will not be reversed in the foreseeable future.

# 28.2 Income tax receivables and liabilities

Income tax receivables, EUR 16 million (2024: 101), and income tax liabilities, EUR 20 million (2024: 93), fluctuate due to corporate income taxes accrued and paid mainly in relation to the financial year according to estimates or set rules by local legislation, as well as in relation to previous years payments in various legal entities in accordance with local tax law requirements.

# 29 Nuclear-related assets and liabilities

## ACCOUNTING POLICIES

Fortum owns Loviisa nuclear power plant in Finland. In Fortum's consolidated balance sheet, Share in the State Nuclear Waste Management Fund and the Nuclear provisions relate to Loviisa nuclear power plant. Fortum's share in the State Nuclear Waste Management Fund is accounted for according to IFRIC 5, Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds which states that the fund assets are measured at the lower of fair value or the value of the related liabilities since Fortum does not have control or joint control over the State Nuclear Waste Management Fund. The Nuclear Waste Management Fund is managed by governmental authorities. The related provisions cover obligations that extend over a long time horizon, often spanning several decades beyond the operational life of the nuclear power plant. These provisions include the provision for decommissioning and the provision for disposal of spent fuel.

The fair values of the provisions are calculated according to IAS 37 by discounting the separate future cash flows, which are based on estimated future costs and actions already taken. The initial net present value of the provision for decommissioning (at the time of commissioning the nuclear power plant) has been included in the investment cost and is depreciated over the estimated operating time of the nuclear power plant. Changes in the technical plans etc., which have an impact on the future cash flow of the estimated costs for decommissioning, are accounted for by discounting the additional costs to the current point in time. The increased asset retirement cost due to the increased provision for decommissioning is added to property, plant and equipment and depreciated over the remaining estimated operating time of the nuclear power plant. For power plant units taken from use the increase is recognised immediately in the income statement.

The provision for spent fuel covers the future disposal costs for fuel used until the end of the accounting period. Costs for disposal of spent fuel are expensed during the operating time based on fuel usage. The impact of the possible changes in the estimated future cash flow for related costs is recognised immediately in the income statement based on the accumulated amount of fuel used until the end of the accounting period. The related interest costs due to unwinding of the provision is recognised in other financial items - net.

The interest income and possible fair valuation effects on the State Nuclear Waste Management Fund assets are presented in other financial items - net.

Fortum's actual share of the State Nuclear Waste Management Fund, related to Loviisa nuclear power plant, is higher than the carrying value of the Fund on the balance sheet. The legal nuclear liability should, according to the Finnish Nuclear Energy Act, be fully covered by payments and guarantees to the State Nuclear Waste Management Fund. The legal liability is not discounted while the provisions are, and since the future cash flow is spread over a very long time horizon, the difference between the legal liability and the provisions are material.

The annual fee to the Fund is based on changes in the legal liability, the return generated in the State Nuclear Waste Management Fund and incurred costs of taken actions.

Fortum also has minority interests in other 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. Accounting policies of the associates regarding nuclear-related assets and liabilities have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

## CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS: ASSUMPTIONS MADE WHEN ESTIMATING PROVISIONS RELATED TO NUCLEAR PRODUCTION

The provision for future obligations for nuclear waste management including decommissioning of Fortum's nuclear power plant and related spent fuel is based on cash flow forecasts of estimated future costs. These obligations extend over a very long time horizon. The main assumptions are technical plans, timing, cost estimates and discount rate. The technical plans, timing and cost estimates are approved by governmental authorities.

Any changes in the assumed discount rate would affect the provision. If the discount rate used would be lowered, the provision would increase. For the power plants where the actual Share of the State Nuclear Waste Management Fund is higher than the provision an increase in provisions would be offset by an increase in the recorded share of Fortum's part of the State Nuclear Waste Management Fund on the balance sheet. The total effect on the income statement would be positive since the decommissioning part of the provision is treated as an asset retirement obligation. This situation will prevail as long as the actual Share of the State Nuclear Waste Management Fund is higher than recognised in the balance sheet and IFRS Accounting Standards is limiting the carrying value of the assets to the amount of the provision since Fortum does not have control or joint control over the fund.

Both in Finland and in 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 operated 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.

## 29.1 Nuclear-related assets and liabilities for consolidated nuclear power plants

| EUR million | 2025 | 2024 |
|---|---|---|
| **Carrying values on the balance sheet** | | |
| Nuclear provisions | 1,153 | 1,117 |
| Fortum's share in the State Nuclear Waste Management Fund | 1,153 | 1,117 |
| Short-term receivable from the State Nuclear Waste Management Fund | 7 | 65 |
| | | |
| Fortum's contribution to the State Nuclear Waste Management Fund | 1,228 | 1,253 |
| Share of fund not recognised on the balance sheet | 69 | 70 |

### Nuclear provision and fund accounted according to IFRS Accounting Standards

Nuclear provisions include the provision for decommissioning and the provision for disposal of spent fuel. The carrying value of the nuclear provisions, calculated according to IAS 37, increased by EUR 36 million compared to 31 December 2024, totalling EUR 1,153 million at 31 December 2025. Finnish nuclear operators submitted updated technical plan and cost estimates to the Ministry of Economic Affairs and Employment in June 2025. The cost estimate and technical plan updates did not have a significant effect on Fortum's financials.

Fortum's share of the State Nuclear Waste Management Fund is from an IFRS Accounting Standards perspective overfunded by EUR 69 million, since Fortum's share of the Fund on 31 December 2025 was EUR 1,228 million, while the carrying value on the balance sheet was EUR 1,153 million and the short-term receivable from the fund EUR 7 million. The Fund on Fortum's balance sheet can at maximum be equal to the amount of the provisions according to IFRS Accounting Standards. As long as the Fund is overfunded from an IFRS Accounting Standards perspective, the other financial items - net, is 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 2025, decided by the Ministry of Economic Affairs and Employment in December 2025, was EUR 1,290 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 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 2025 is EUR 1,264 million. Responsibility for the costs relating to decommissioning of the encapsulation plant and closure of the final disposal repository were transferred to Posiva in 2025. The change decreased Fortum's funding target and nuclear liability. Posiva is jointly owned by Fortum and TVO.

### Nuclear provisions

| EUR million | 2025 | 2024 |
|---|---|---|
| **1 January** | **1,117** | **1,058** |
| Increase in provisions | 44 | 51 |
| Provision used | -23 | -31 |
| Provision reversed | -16 | 0 |
| Unwinding of discount | 31 | 38 |
| **31 December** | **1,153** | **1,117** |
| Fortum's share in the State Nuclear Waste Management Fund | 1,153 | 1,117 |

### 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 27 Interest-bearing liabilities and Note 36 Pledged assets and contingent liabilities.

## 29.2 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 for according to local GAAP. In addition to the invoiced electricity production cost, Fortum makes IFRS Accounting Standards 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 | 2025 | 2024 |
|---|---|---|
| **Carrying values in TVO with Fortum assumptions** | | |
| Nuclear provisions | 1,701 | 1,673 |
| Share of the State Nuclear Waste Management Fund | 1,293 | 1,246 |
| **Net amount** | **-408** | **-427** |
| **of which Fortum's net share consolidated with equity method** | **-102** | **-107** |
| | | |
| **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 | 1,882 | 1,960 |
| Share in the State Nuclear Waste Management Fund | 1,438 | 1,525 |
| Share of the fund not recognised on the balance sheet | 145 | 279 |
| of which OL1/OL2 overfunded | 197 | 292 |
| of which OL3 underfunded | -52 | -13 |

TVO's legal liability, provision and share of the fund are based on the 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 updated technical plan and cost estimates did not have a significant effect on Fortum's share in TVO's nuclear related assets and liabilities.

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 2025 the OL1/OL2 plant units' share in the Fund is higher than the provision according to IFRS Accounting Standards. The OL3 plant unit's share in the Fund is on the other hand lower than the provision according to IFRS Accounting Standards. TVO's share of the Finnish State Nuclear Waste Management Fund is from an IFRS Accounting Standards perspective overfunded by EUR 145 million (of which Fortum's share is EUR 39 million), since TVO's share of the Fund on 31 December 2025 was EUR 1,438 million and the carrying value on the consolidated balance sheet with Fortum assumptions was EUR 1,293 million.

At 31 December 2025 Fortum had EUR 157 million (2024: 157) shareholder loan receivable from TVO. TVO shareholder loan is classified as participations 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 27 Interest-bearing liabilities.

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

| EUR million | 2025 | 2024 |
|---|---|---|
| **OKG's and Forsmark's nuclear-related assets and liabilities with Fortum assumptions** | | |
| Nuclear provisions | 5,475 | 5,064 |
| Share in the Swedish Nuclear Waste Fund | 3,949 | 3,590 |
| **Net amount** | **-1,526** | **-1,474** |
| **of which Fortum's net share consolidated with equity method** | **-484** | **-476** |

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 and it is the base for nuclear fees during 2024–2026. 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. For 2026 the nuclear waste fees will be based on assumed lifetime of 60 years instead of 50 years. The fee is calculated in relation to the energy delivered. An updated technical plan and cost estimate was handed in by SKB to the National Debt Office on 30 September 2025. This updated cost estimate covers cost from 2027 and onwards and will be the basis for nuclear waste fees and guarantees from 2027 and onwards. The nuclear provision (which is included in Fortum's net share consolidated with equity method ) on 31 December 2025 reflects the updated technical plan.

## Nuclear-related guarantees

In addition to nuclear waste fees nuclear power companies provide guarantees for any uncovered liability and unexpected events.

For more information regarding Fortum's guarantees given on behalf of nuclear companies, see Note 36 Pledged assets and contingent liabilities.

## 30 Other non-current liabilities

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Connection fees | | 69 | 69 |
| Other provisions | 31 | 76 | 81 |
| Pension obligations | 32 | 4 | 12 |
| Other | | 103 | 55 |
| **Total** | | **252** | **216** |

Connection fees include refundable fees paid by the customer when connected to district heating network in Finland. These comprise of fees received in Finland before and partially during 2013. Other includes a number of individually immaterial items.

# 31 Other provisions

## ACCOUNTING POLICIES

Provisions are recognised when the Group has a present legal or constructive obligation to a third party as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are discounted when the effect of time value of money is material.

Increase in the provision due to the passage of time and changes in provisions due to changes in discount rates are recognised as interest expense in the consolidated income statement. Changes in provisions, except for changes in asset retirement obligations, are recognised in the consolidated income statement.

### ASSET RETIREMENT OBLIGATIONS

Asset retirement obligations for the decommissioning or dismantling of property, plant and equipment are recognised either when there is a contractual obligation towards a third party or a legal obligation. The obligation is generally based on detailed cost estimates validated by external experts.

The asset retirement obligation is recognised as part of the cost of an item of property, plant and equipment when the asset is put in service. Costs are depreciated over the remainder of the asset's useful life. Changes in asset retirement obligations are recognised in property, plant and equipment on the consolidated balance sheet; unless the item of property, plant and equipment has already been fully depreciated when changes are recognised in the consolidated income statement.

### ENVIRONMENTAL PROVISIONS

Environmental provisions are recognised based on the current interpretation of environmental laws and regulations when it is probable that a present obligation has arisen, and the amount of such liability can be reliably estimated.

| EUR million | Asset retirement | Environmental remediation and similar | Other | Total |
|---|---|---|---|---|
| **1 January 2025** | **24** | **2** | **58** | **84** |
| Increase in provisions | 0 | 0 | 8 | 8 |
| Provisions used | 0 | 0 | -12 | -12 |
| Unused provisions reversed | -1 | 0 | 0 | -1 |
| Exchange rate differences and other changes | 0 | 0 | 1 | 1 |
| Reclassification between categories | 0 | 44 | -44 | 0 |
| Acquisition of subsidiary companies | 0 | 0 | 3 | 3 |
| **31 December 2025** | **23** | **47** | **10** | **80** |
| | | | | |
| Of which current provisions | 0 | 0 | 4 | 4 |
| Of which non-current provisions | 23 | 47 | 6 | 76 |

Provisions for asset retirement obligations consist of obligations for conventional and renewable energy power plants. The majority of the provision is estimated to be used within 5 years. Majority of the provision for environmental and similar obligations is estimated to be used within 30 years.

For provisions for decommissioning, and provision for disposal of spent fuel for nuclear production, see Note 29 Nuclear-related assets and liabilities.

# 32 Pension obligations

## ACCOUNTING POLICIES

The Group companies have various pension schemes in accordance with the local conditions and practices in the countries in which they operate. The schemes are generally funded through payments to insurance companies or pension fund. The Group has both defined benefit and defined contribution plans.

For defined benefit plans, pension costs are assessed using the projected unit credit method. The cost of providing pensions is charged to the income statement as to spread the service cost over the service lives of employees. Current and past service cost, as well as gains or losses from settlements are reported under personnel costs. The net interest is reported in financial items.

The defined benefit obligation is calculated annually on the balance sheet date and is measured as the present value of the estimated future cash flows using interest rates of high quality corporate bonds, or similar, that have terms to maturity approximating to the terms of the related pension liability. The plan assets for pensions are valued at market value. The net liability recognised on the balance sheet is the defined benefit obligation at the closing date less the fair value of plan assets.

Any net asset position that might arise from offsetting the present value of the defined benefit obligations against the corresponding fair value of plan assets is recognised taking into account the applicable asset restrictions. Such an asset position is reported in Other non-current assets on the balance sheet.

In the case of a plan amendment, curtailment or settlement (each a "plan event") occurring in a defined benefit plan during an annual reporting period, the current service cost and the net interest on the net liability or asset are remeasured for the remainder of the reporting period after the plan event. The actuarial assumptions applicable as of the date of the plan event are to be used as the basis for such remeasurement. When the benefits of a plan are changed, or when a plan is curtailed, the resulting change in the present value of the defined benefit obligation that relates to past service, or the gain or loss related to a curtailment is recognised immediately in profit or loss. Gains or losses on settlements of defined benefit plans are recognised when the settlement occurs.

Remeasurements of the net defined benefit liability or asset include actuarial gains and losses that may arise especially from differences between estimated and actual variations in underlying assumptions about demographic and financial variables; and, additionally, from developments in these assumptions as of each reporting date. Additionally included is the difference between the actual return on plan assets and the interest income on plan assets contained in the net interest result, as well as any change in the effect of the asset ceiling, excluding amounts already included in net interest. Remeasurement results and related deferred taxes are recognised in full in the period in which they occur and are reported in other comprehensive income.

The Group's contributions to defined contribution plans are charged to the income statement in the period to which the contributions relate.

## Fortum’s pension arrangements

### Finland

The statutory pension benefits (as determined in Employee’s Pension Act /TyEL) in Finland provide the employees’ pension coverage for old age, disability and death of a family provider. The benefits are insured with an insurance company, and determined to be defined contribution plans.

In addition, the Group has historical old-age and survivor pension benefits with the Fortum Pension Fund covering a limited number of people. The Fortum Pension Fund is a closed fund managed by a Board, consisting of both employers' and employees' representatives. The promised benefit is defined in the rules of the Fund, mostly at a maximum of 66% of the salary basis. The salary basis is an average of the ten last years' salaries, which are indexed by a common salary index to the accounting year. After retirement the benefits payable are indexed yearly with the TyEL-index.

The Fund is operating under the regulation from the Financial Supervisory Authority (FSA). The liability has to be fully covered according to the regulations. The national benefit obligation related to the defined benefit plans is calculated so that the promised benefit is fully funded until retirement.

### Other countries

As of December 2025, there were no material defined benefit pension arrangements in Fortum’s other operating countries.

## Main risks relating to defined benefit plans

Typical risk factors for defined benefit plans are changes in discount rates, risks related to other actuarial assumptions, as well as investment and volatility risks.

### Change in discount rate

The discount rate used to calculate the defined benefit obligation (according to IFRS Accounting Standards) depends on the value of corporate bond yields as at the reporting date. A decrease in yields increases the benefit obligation that is often only partially offset by an increase in the value of fixed income holdings.

### Risk related to other actuarial assumptions

Assumptions for future inflation, salary levels and mortality are used for actuarial calculations. Should the actual outcome differ from these assumptions, the liability may change.

### Investment and volatility risk

Pension plan assets are allocated to different asset classes based on the statutory legislation or investment strategy of the corresponding pension plan. Depending on the pension plan, underlying investment management plans are updated on a regular basis. If the return of the fund's assets is not enough to cover the raise in liability and benefit payments over the financial year, the employer has to fund the deficit with contributions, unless the fund has sufficient covering.

## Movement in the net defined benefit liability

| | Defined benefit obligation | | Fair value of plan assets | | Net defined benefit asset(-)/liability(+) | |
|---|---|---|---|---|---|---|
| **EUR million** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| **1 January** | **249** | **263** | **-277** | **-273** | **-28** | **-9** |
| **Included in consolidated income statement** [1] | | | | | | |
| Current service cost | 1 | 1 | 0 | 0 | 2 | 2 |
| Settlements | -2 | -1 | 3 | 3 | 1 | 2 |
| Net interest | 8 | 8 | -9 | -9 | -1 | 0 |
| | 7 | 8 | -6 | -5 | 2 | 3 |
| **Included in OCI** | | | | | | |
| Remeasurement gains(-)/losses(+) | -20 | -4 | -13 | -15 | -33 | -20 |
| Actuarial gains/losses arising from changes in financial assumptions | -15 | -1 | 0 | 0 | -15 | -1 |
| Actuarial gains/losses arising from experience adjustments | -5 | -3 | 0 | 0 | -5 | -3 |
| Return on plan assets (excluding amounts included in net interest expense) | 0 | 0 | -13 | -15 | -13 | -15 |
| Exchange rate differences and other changes | 0 | -3 | -1 | 3 | 0 | 0 |
| | -19 | -8 | -14 | -12 | -33 | -20 |
| **Other** | | | | | | |
| Contributions paid by/to the employer | 0 | 0 | -1 | -2 | -1 | -2 |
| Benefits paid | -15 | -15 | 15 | 15 | 0 | 0 |
| **31 December** | **222** | **249** | **-282** | **-277** | **-60** | **-28** |
| Present value of funded defined obligation | | | | | 222 | 249 |
| Fair value of plan assets | | | | | -282 | -277 |
| **Funded status** | | | | | **-60** | **-28** |
| Present value of unfunded obligation | | | | | 0 | 0 |
| Net liability(+)/asset(-) arising from defined benefit obligation | | | | | -60 | -28 |
| | | | | | | |
| Pension assets included in other non-current assets on the balance sheet | | | | | 64 | 40 |
| Pension obligations included in other non-current liabilities on the balance sheet | | | | | 4 | 12 |

1) Net interest is presented in financial items in the income statement. The rest of costs related to defined benefit plans are included in staff costs (row defined benefits plans in the staff cost specification in Note 10 Employee benefits and Board remuneration).

No contribution is expected to be paid during 2026.

## Fair value of plan assets

| EUR million | 2025 Quoted | 2025 Unquoted | 2025 Total | 2024 Quoted | 2024 Unquoted | 2024 Total |
|---|---|---|---|---|---|---|
| Equity instruments | 90 | 7 | 97 | 77 | 7 | 84 |
| Debt instruments | 102 | 39 | 141 | 117 | 39 | 155 |
| Cash and cash equivalents | 0 | 23 | 23 | 0 | 14 | 14 |
| Real estate | 0 | 11 | 11 | 0 | 11 | 11 |
| Other assets | 0 | 11 | 11 | 0 | 12 | 12 |
| **Total** | **192** | **91** | **282** | **194** | **83** | **277** |

A specification of plan assets has not been available for pension plans financed through an insurance company. In these cases, the fair value of plan assets has been included in other assets.

The actual return on plan assets totalled EUR 25 million (2024: 22).

## Amounts recognised on the balance sheet by country

| EUR million | 2025 Finland | 2025 Other countries | 2025 Total | 2024 Finland | 2024 Other countries | 2024 Total |
|---|---|---|---|---|---|---|
| Present value of funded obligations | 175 | 47 | 222 | 193 | 55 | 249 |
| Fair value of plan assets | -230 | -53 | -282 | -226 | -51 | -277 |
| **Deficit(+)/surplus(-)** | **-55** | **-6** | **-60** | **-33** | **4** | **-28** |
| Present value of unfunded obligations | 0 | 0 | 0 | 0 | 0 | 0 |
| **Net asset(-)/liability(+) on the balance sheet** | **-55** | **-5** | **-60** | **-33** | **5** | **-28** |
| Pension assets included in other non-current assets on the balance sheet | 55 | 8 | 64 | 33 | 7 | 40 |
| Pension obligations included in other non-current liabilities on the balance sheet | 0 | 3 | 4 | 0 | 11 | 12 |

## The principal actuarial assumptions used in Finland

| % | 2025 | 2024 |
|---|---|---|
| Discount rate | 3.7 | 3.2 |
| Future salary increases | 3.0 | 3.0 |
| Future pension increases | 2.1 | 2.1 |
| Rate of inflation | 1.9 | 1.9 |

The discount rate in Finland is based on high quality European corporate bonds with maturity that best reflects the estimated term of the defined benefit pension plans.

The discount, inflation, salary growth and pension growth rates, as well as mortality are the key assumptions when calculating defined benefit obligations. Changes in the key actuarial assumptions would lead to the following changes in the present value of the defined benefit obligations:

## Sensitivity of defined benefit obligation to changes in assumptions

| Change in the assumption | Impact to the pension obligation increase(+)/decrease(-) |
|---|---|
| 0.5% increase in discount rate | -5.4% |
| 0.5% decrease in discount rate | 5.9% |
| 0.5% increase in benefit | 5.4% |
| 0.5% decrease in benefit | -5.0% |
| 0.5% increase in salary growth rate | 0.2% |
| 0.5% decrease in salary growth rate | -0.2% |
| 10% increase in mortality | -3.7% |
| 10% decrease in mortality | 3.7% |

A 10% decrease in mortality would result in higher life expectancy of beneficiaries, depending of the age of each individual beneficiary. At the end of 2025, the life expectancy of a 63-year-old male retiree would increase by approximately one year, if mortality were to decrease by 10%.

The sensitivities indicated are computed based on the same methods and assumptions used to determine the present value of the defined benefit obligations. If one of the actuarial assumptions is changed for the purpose of computing the sensitivity of results to changes in that assumption, all other actuarial assumptions are included in the computation unchanged. Potential correlation effects between the individual actuarial assumptions are not taken into account when computing sensitivities. When considering sensitivities, it must be noted that the change in the present value of the defined benefit obligations resulting from changing multiple actuarial assumptions simultaneously is not necessarily equivalent to the cumulative effect of the individual sensitivities.

## Maturity profile of the undiscounted defined benefit obligation on 31 December 2025

| EUR million | Future benefit payments |
|---|---|
| Maturity under 1 year | 15 |
| Maturity between 1 and 5 years | 58 |
| Maturity between 5 and 10 years | 67 |
| Maturity between 10 and 20 years | 109 |
| Maturity between 20 and 30 years | 61 |
| Maturity over 30 years | 26 |

The weighted average duration of defined benefit obligation at 31 December 2025 is 15 years.

# 33 Trade and other payables

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Trade payables | | 322 | 361 |
| Accrued expenses and deferred income | | | |
| Accrued personnel expenses | | 98 | 92 |
| Accrued interest expenses | | 88 | 100 |
| Other accrued expenses and deferred income | | 105 | 109 |
| Other liabilities | | | |
| VAT-liability | | 55 | 57 |
| Current tax liability | | 20 | 93 |
| Advances received | | 11 | 12 |
| Emission right liability and renewable energy certificate quota obligation [1] | | 81 | 88 |
| Other | | 41 | 41 |
| Other provisions, current | 31 | 4 | 3 |
| **Total** | | **826** | **959** |

1) For additional information see Note 23 Inventories.

The management considers that the amount of trade and other payables approximates fair value.

# 34 Leases

## ACCOUNTING POLICIES

### LESSEE ACCOUNTING

The Group leases mainly office buildings and land areas. The Group recognises all leases, with the exception of short-term (i.e. lease term less than 12 months) and low value leases as right-of-use assets with a corresponding lease liability at the date at which the leased asset is available for use by the Group.

Right-of-use assets and lease liabilities are initially recognised on the consolidated balance sheet at future fixed lease payments over the lease term. Lease payments are discounted to present value. Right-of-use assets are depreciated on a straight-line basis over the lease term, or the useful life of the leased asset if shorter; and reviewed periodically for indication of impairment.

When the future lease payments are revised due to changes in index-linked considerations or the lease term changes, the right-of-use asset and the corresponding lease liability is remeasured. Any differences arising on reassessments are recognised in the consolidated income statement.

Interest expense on lease liabilities is presented within Interest expense in the consolidated income statement. In the consolidated cash flow statement, the principal portion of the lease payment is presented under Payments of long-term liabilities, and the interest portion as Interest paid under Funds from operations. Variable lease payments, as well as costs for leases not capitalised due to exemptions in the standard, are expensed to consolidated income statement.

## Amounts recognised in consolidated financial statements

### Lessee

| EUR million | 2025 | 2024 |
|---|---|---|
| **In consolidated income statement** | | |
| Depreciation, of which | -18 | -23 |
| Land | -3 | -2 |
| Buildings and structures | -9 | -13 |
| Machinery and equipment | -6 | -7 |
| Interest expense on lease liabilities | -2 | -2 |
| Expense relating to short-term leases within Other expenses | -1 | -4 |
| | | |
| **On consolidated balance sheet** | | |
| Additions to right-of-use assets, of which | 43 | 29 |
| Land | 12 | 4 |
| Buildings and structures | 22 | 12 |
| Machinery and equipment | 9 | 13 |
| Disposal of subsidiary companies, of which [1)] | -1 | -24 |
| Land | 0 | -3 |
| Buildings and structures | -1 | -14 |
| Machinery and equipment | 0 | -7 |
| Carrying amount of right-of-use assets, of which | 112 | 101 |
| Land | 61 | 51 |
| Buildings and structures | 35 | 37 |
| Machinery and equipment | 16 | 12 |
| Lease liabilities | 105 | 94 |
| | | |
| **In consolidated cash flow statement** | | |
| Cash outflow for leases | -20 | -24 |

1) See Note 3 Acquisitions and disposals.

### Maturity of undiscounted lease liabilities

| EUR million | 2025 |
|---|---|
| Due within one year | 20 |
| Due after one year and within five years | 48 |
| Due after five years | 59 |
| **Total** | **126** |

See Note 4 Financial risk management, Note 18 Property, plant and equipment and right-of-use assets, and Note 27 Interest-bearing liabilities for more information.

# 35 Capital and other commitments

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

## 35.1 Capital commitments

At 31 December 2025, Fortum had EUR 448 million (2024: 465) capital commitments for the acquisition of property, plant and equipment and intangible assets.

## 35.2 Other commitments to associates and joint ventures

Fortum has formed a joint venture with Green Investment Group to build the South Clyde waste-to-energy plant in Glasgow, Scotland. At 31 December 2025, Fortum had an outstanding commitment of EUR 30 million (2024: 56) to the joint venture, which is funded by external loans, share issues and shareholder loans.

## 35.3 Other commitments

In June 2018, the Swedish Parliament approved the legislation regarding Sweden's national strategy for implementation of the EU's Water Framework Directive. The largest hydro companies created a common hydro-power fund to finance large parts of the environmental actions needed. The fund will have a total financial cap of SEK 10 billion to be paid over a 20-year period, and the largest operators will contribute to the fund proportionately based on their respective market share of hydro-power production. Fortum's share is 23% of the funds' total financing.

In May 2022, Fennovoima announced that it had terminated the contract for the delivery of the nuclear power plant with RAOS Project Oy and withdrew the construction license application. Currently, Fortum is financing certain costs of Voimaosakeyhtiö SF.

# 36 Pledged assets and contingent liabilities

### ACCOUNTING POLICIES

**PLEDGED ASSETS**

Pledged assets are given to a lender as security for a loan, trading or other commitment. If the borrower or trading party is unable to make the agreed payments, the lender can use the pledged assets to mitigate its losses. Pledged assets at Fortum mostly consist of securities, collaterals and real estate mortgages.

**CONTINGENT LIABILITIES**

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence is only confirmed by one or more doubtful future events; or when there is an obligation that is not recognised as a liability or provision because it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be reliably estimated.

## 36.1 Pledged assets

### For debt

Fortum has pledged shares in Kemijoki as a security for the re-borrowing from the Finnish State Nuclear Waste Management Fund for the Loviisa nuclear power plant part, amounting to EUR 718 million (2024: 718).

Real estate mortgages total EUR 41 million (2024: 41).

### For other commitments

Pledged assets include securities of EUR 241 million (2024: 213) to the Nordic Power Exchange (Nasdaq Commodities), margin receivables of EUR 179 million (2024: 205) and restricted cash of EUR 28 million (2024: 7). 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.

Fortum has pledged real estate mortgages in Pyhäkoski hydro plant as security to the Ministry of Economic Affairs and Employment amounting to EUR 122 million (2024: 125). These are given as a security for the uncovered part of the legal liability and unexpected events relating to future costs for decommissioning and disposal of spent fuel in Loviisa nuclear power plant. According to the Nuclear Energy Act, Fortum is obligated to contribute the funds in full to the State Nuclear Waste Management Fund to cover the legal liability. Any uncovered legal liability relates to periodising of the payments to the fund. The size of the securities given is updated yearly in the second quarter based on the decisions regarding the legal liabilities and the funding target which are determined at the end of the previous year. See Note 29 Nuclear-related assets and liabilities.

### On behalf of others

Pledged assets on behalf of others consist of restricted cash of EUR 87 million (2024: 62) 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 (OMX 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. See Note 22 Interest-bearing receivables.

## 36.2 Contingent liabilities

In relation to divestment of shareholdings, Fortum has entered into indemnification agreements, which cover the customary representations and warranties, as well as environmental damage and tax contingencies. Any obligations that may exist are covered in the first instance by provisions of the companies sold before Fortum itself is required to make any payments. Moreover, the Fortum Group has commitments under which it assumes joint and several liability arising from its interests in non-corporate commercial partnerships and consortia in which it participates.

Fortum's 100% owned subsidiary Fortum Heat and Gas Oy has a contingent liability, based on the Finnish Companies Act's (734/1978) Chapter 14a Paragraph 6, with Neste Oyj following the demerger of Fortum Oil and Gas Oy in 2004.

## 36.3 Guarantees relating to Nuclear operations

With respect to the activities of the Swedish nuclear power plants, the companies of the Swedish nuclear units have issued guarantees for OKG and Forsmark to governmental authorities in accordance with the Swedish law. 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 amounts for the guarantees are normally updated every third year by governmental decision. In addition, the licensees are responsible for all costs related to the disposal of low-level radioactive waste.

In Finland, guarantees are given based on the Nuclear Energy act to cover the unfunded portion of the nuclear waste management obligation, unexpected events and also an additional statutory protected share, if the additional share is not covered with fund surplus and profit of the fund.

The guarantee given on behalf of Teollisuuden Voima Oyj to the Ministry of Economic Affairs and Employment amounts to EUR 149 million (2024: 151). The guarantee covers the unpaid legal liability due to periodisation as well as risks for unexpected future costs. Guarantees given on behalf of Posiva Oy to cover Posiva's share of the costs of decommissioning the encapsulation plant and closure of the disposal facility amounts to EUR 7 million (2024: 0). Posiva is jointly owned by Fortum and TVO.

Owners of nuclear facilities in Finland and Sweden have statutory liabilities for damages resulting from accidents occurring in those nuclear facilities and for accidents involving any radioactive substance connected to the operation of those facilities. Third-party liability relating to nuclear accidents is strictly under the plant operator's responsibility.

In Finland, as the operator of the Loviisa power plant, Fortum has a statutory liability insurance policy of approximately EUR 1.2 billion.

In Sweden, the operator of a nuclear power plant in operation is required to have a liability insurance or other financial cover in the amount equivalent to EUR 1.2 billion per site.

The necessary insurances for the nuclear power plants have been purchased. Similar insurance policies are in place also for the operators where Fortum has minority interest. In Sweden the government requires additional collaterals, for which parent company guarantees have been issued.

For information regarding nuclear-related assets and liabilities see Note 29 Nuclear-related assets and liabilities.

# 37 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.

## Environmental liability litigation in Sweden

In June 2023, Fortum Ljunga Kraft AB was held liable for covering the costs for a survey of mercury contaminated barrels originating from activities in the 1960s.

Fortum has not at any time had any involvement in producing mercury, or placing the mercury waste in the sea. At the time, a company called Stockholms superfosfat fabriks was operating the industrial activities. In 1985, these industrial activities, including all rights and obligations thereof, were transferred from Stockholms superfosfat fabriks AB to a third party. In 1995, Stockholms superfosfat fabriks AB was sold, only then ending up in the Fortum Group (and name changed to Fortum Ljunga Kraft AB).

The County Administrative Board has an active case on the environmental liability for the barrels. Additional claims against Fortum Ljunga Kraft may arise from this matter. At this point in time, it is not possible to estimate either the cost of the full environmental surveys, or the cost of potential environmental measures required.

## 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 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 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 requested also Fortum and certain other parties to be joined in these proceedings. Fortum has objected to the arbitral tribunal's jurisdiction on several grounds. The arbitral tribunal has decided in a partial award issued in February 2025 that it has no jurisdiction to decide on claims against Fortum. The arbitral tribunal's partial award is final, and accordingly, the arbitration proceedings do not continue with respect to Fortum.

## Tax cases

In 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 was EUR 36 million. The tax had been paid and recognised as a receivable and it was repaid to Fortum in 2024. In addition, Fortum received EUR 19 million pre-tax in interest income, which is recorded as financial items in 2024. The decision is final and this was the last open year in Fortum's Belgian tax audits. The previous court ruling was made in Fortum's favour in 2022.

# 38 Related party transactions

## 38.1 The Finnish State and companies owned by the Finnish State

At the end of 2025, the Finnish State owned 51.26% of the company's shares (2024: 51.26%). The Finnish Parliament has authorised the Government to reduce the Finnish State's holding in Fortum Corporation to no less than 50.1% of the share capital and voting rights.

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 until 31 December 2026.

All transactions between Fortum and other companies owned by the Finnish State are on arm's length basis.

## 38.2 Board of Directors and Fortum Leadership Team

The key management personnel of the Fortum Group are the members of Fortum Leadership Team and the Board of Directors.

Fortum has not been involved in any material transactions with members of the Board of Directors or Fortum Leadership Team. No loans exist to any member of the Board of Directors or Fortum Leadership Team at 31 December 2025.

The total compensation (including pension benefits and social costs) for the key management personnel for 2025 was EUR 10 million (2024: 11). See Note 10 Employee benefits and Board remuneration for further information on the Board of Directors and Fortum Leadership Team remuneration and shareholdings.

## 38.3 Associated companies and joint ventures

In the ordinary course of business, Fortum engages in transactions with associated companies, joint ventures, and other related parties. These transactions are on the same commercial terms as they would be with third parties, except for some associates and joint ventures, as noted below.

Fortum owns shareholdings in associated companies and joint ventures which own hydro and nuclear power plants. Under consortium agreements, each owner is entitled to electricity in proportion to its share of ownership, or based on other agreement. In turn, each owner is liable for an equivalent portion of costs, regardless of output. These associated companies and joint ventures are not profit making since the owners purchase electricity at production cost, including interest costs and production taxes. See Note 19 Participations in associated companies and joint ventures.

## 38.4 Balances and transactions with related parties

### Transactions with associates and joint ventures

| | Associated companies | | Joint ventures | | Total | |
|---|---|---|---|---|---|---|
| EUR million | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Sales | 1 | 0 | 7 | 9 | 8 | 9 |
| Purchases | 339 | 351 | 237 | 270 | 576 | 622 |
| Interest income on loan receivables | 13 | 17 | 6 | 7 | 19 | 24 |
| Interest expense on loan payables | 0 | 0 | 8 | 10 | 8 | 10 |

### Balances with associates and joint ventures

| | Associated companies | | Joint ventures | | Total | |
|---|---|---|---|---|---|---|
| EUR million | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| **Receivables** | | | | | | |
| Long-term interest-bearing loan receivables | 485 | 358 | 80 | 73 | 565 | 431 |
| Trade and other receivables | 5 | 2 | 21 | 24 | 26 | 26 |
| | | | | | | |
| **Liabilities** | | | | | | |
| Long- and short-term loan payables | 0 | 0 | 232 | 232 | 232 | 232 |
| Trade and other payables | 14 | 7 | 36 | 69 | 50 | 75 |

See also Note 29 Nuclear-related assets and liabilities, Note 35 Capital and other commitments and Note 36 Pledged assets and contingent liabilities for details on commitments related to associates and joint ventures.

## 38.5 Pension funds

Fortum has a pension fund in Finland, which is a stand-alone legal entity managing pension assets related to part of the pension coverage in Finland. In 2025, there were no contribution to these pension plans (2024: 0). See Note 32 Pension obligations.

The assets in the pension fund in Finland include Fortum shares representing 0.04% (2024: 0.04%) of the company's outstanding shares. The loan granted by Fortum's Finnish pension fund has been secured by real estate mortgages of EUR 41 million (2024: 41). See Note 36 Pledged assets and contingent liabilities.

# 39 Events after the balance sheet date

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

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# 40 Group companies by segment

G = Generation
CS = Consumer Solutions
O = Other Operations

1) Shares held by the parent company

Group holding % for companies owned via subsidiaries is based on the Fortum Corporation ownership % in the direct subsidiary times the ownership % of the direct subsidiary in the indirect subsidiary/associate/joint venture as of 31 December 2025.

## Subsidiaries by segment

| Entity Name | Domicile | Segment | Group holding, % |
|---|---|---|---|
| Akroton Oy | Finland | G | 100.0 |
| Ala-Korpivaara Wind Farm Oy | Finland | G | 100.0 |
| Brändskogen Vindkraft Ab Oy | Finland | G | 100.0 |
| EX-KE Oy | Finland | CS | 100.0 |
| Falisa Solkraft Ab/Oy | Finland | G | 100.0 |
| Fortum Asiakaspalvelu Oy | Finland | CS | 100.0 |
| Fortum Battery Recycling Oy | Finland | O | 100.0 |
| Fortum Clean Oy | Finland | O | 100.0 |
| Fortum Heat and Gas Oy | Finland | O | 100.0 1) |
| Fortum Markets Oy | Finland | CS | 100.0 1) |
| Fortum Power and Heat Holding Oy | Finland | G | 100.0 |
| Fortum Power and Heat Oy | Finland | G, O | 100.0 1) |
| Fortum Real Estate Oy | Finland | O | 100.0 1) |
| Fortum Renewables Oy | Finland | G | 100.0 |
| Fortum RES Oy | Finland | O | 100.0 |
| Fortum Tuuli ja Aurinko Oy | Finland | G | 100.0 |
| Fortum Tuulivoima Oy | Finland | G | 100.0 |
| Fortum TwoGether Oy | Finland | G | 100.0 1) |
| Harvankankaan Tuulivoima Oy | Finland | G | 100.0 |
| Honkamaan Tuulivoima Oy | Finland | G | 100.0 |
| Iisalmen Vuorimäen Tuulivoima Oy | Finland | G | 100.0 |
| Iso Saapasnevan Tuulivoima Oy | Finland | G | 100.0 |
| Jeppo Vindkraft Ab Oy | Finland | G | 100.0 |
| Kalax Solkraft Ab/Oy | Finland | G | 100.0 |
| Kannonkosken Vuorijärven Tuulivoima Oy | Finland | G | 100.0 |
| Katajamäen Tuulivoima Oy | Finland | G | 100.0 |
| Kemiönsaaren Aurinkovoima Oy | Finland | G | 100.0 |
| Koillis-Pohjan Energiantuotanto Oy | Finland | G | 100.0 |
| Kolsa-Juvansuon Tuulivoima Oy | Finland | G | 100.0 |
| Korvenniityn Aurinkovoima Oy | Finland | G | 100.0 |
| Kotapalon Tuulivoima Oy | Finland | G | 100.0 |
| Kurikan Tuulivoima Oy | Finland | G | 100.0 |
| Kurikka Energy Oy | Finland | G | 100.0 |
| Lakkasuo Wind Farm Oy | Finland | G | 100.0 |
| Lamminnevan Tuulivoima Oy | Finland | G | 100.0 |
| Lapinlahden Iso Petäjämäen Tuulivoima Oy | Finland | G | 100.0 |
| Lautamäen Tuulivoima Oy | Finland | G | 100.0 |
| Lehtivuoret Wind Farm Oy | Finland | G | 100.0 |
| Marttilan Aurinkovoima Oy | Finland | G | 100.0 |
| Molpe Vindkraft Ab/Oy | Finland | G | 100.0 |
| Murtomäen Kivikankaan Tuulivoima Oy | Finland | G | 100.0 |
| Myyränkankaan Tuulivoima Oy | Finland | G | 100.0 |
| Niittunevan Tuulipuisto Oy | Finland | G | 100.0 |
| Norrsarvlax Solkraft Ab/Oy | Finland | G | 100.0 |
| Närpes Vindkraft Ab/Oy | Finland | G | 100.0 |
| Orimattilan Kuivannon Tuulivoima Oy | Finland | G | 100.0 |
| Oy Tersil Ab | Finland | O | 100.0 |
| Oy Tertrade Ab | Finland | O | 100.0 |
| Penkkisuon Tuulivoima Oy | Finland | G | 100.0 |
| Pennalan Aurinkovoima Oy | Finland | G | 100.0 |
| Pjelax Vindkraft Ab/Oy | Finland | G | 60.0 |
| Pohjoismäki Wind Farm Oy | Finland | G | 100.0 |
| Poikel Vindkraft Ab/Oy | Finland | G | 100.0 |
| Purmo Vindpark Ab | Finland | G | 100.0 |
| Reisjärven Kiiskinevan Tuulivoima Oy | Finland | G | 100.0 |
| Sikokangas Wind Farm Oy | Finland | G | 100.0 |
| Tarvasjoen Aurinkovoima Oy | Finland | G | 100.0 |
| Virolahden Aurinkovoima Oy | Finland | G | 100.0 |
| Yli-Iin Iso Rytisuon Tuulivoima Oy | Finland | G | 100.0 |
| Yliken Aurinkovoima Oy | Finland | G | 100.0 |
| Barry Danmark ApS | Denmark | O | 100.0 |
| Fortum CFS Eesti OU | Estonia | O | 100.0 |
| Fortum France S.A.S | France | G | 100.0 |
| Fortum Batterie Recycling GmbH | Germany | O | 100.0 |

| Entity Name | Domicile | Segment | Group holding, % |
|---|---|---|---|
| Fortum Service Deutschland GmbH | Germany | O | 100.0 |
| MAWAL Energie GmbH | Germany | O | 100.0 |
| Fortum Insurance Limited | Guernsey | O | 100.0 |
| SolarXL Delta Energy Private Limited | India | G | 100.0 |
| SolarXL Gamma Energy Private Limited | India | G | 100.0 |
| SolarXL Zeta Energy Private Limited | India | G | 100.0 |
| Fortum eNext Ireland Ltd | Ireland | G | 100.0 |
| Fortum Finance Ireland Designated Activity Company | Ireland | O | 100.0 1) |
| Fortum P&H Ireland Limited | Ireland | O | 100.0 |
| Fortum 3 B.V. | Netherlands | O | 100.0 |
| Fortum Energy Holding B.V. | Netherlands | CS, G, O | 100.0 1) |
| Fortum H&C B.V. | Netherlands | G | 100.0 |
| Fortum Holding B.V. | Netherlands | O | 100.0 1) |
| Fortum Power Holding B.V. | Netherlands | O | 100.0 |
| Fortum Russia B.V. | Netherlands | O | 100.0 |
| Fortum SAR B.V. | Netherlands | G | 100.0 |
| Fortum Star B.V. | Netherlands | G | 100.0 |
| India Sun B.V. | Netherlands | G | 100.0 |
| PolarSolar B.V. | Netherlands | G | 100.0 |
| Fortum Consumer Solutions AS | Norway | CS, G, O | 100.0 |
| Fortum Hedging AS | Norway | G | 100.0 |
| Fortum Strøm AS | Norway | CS | 100.0 |
| Tellier Service AS | Norway | CS | 100.0 |
| Fortum Energia S.A. | Poland | CS | 100.0 |
| Fortum Network Częstochowa Sp. z o.o. | Poland | G | 100.0 |
| Fortum Network Płock Sp. z o.o. | Poland | G | 100.0 |
| Fortum Network Wrocław Sp. z o.o. | Poland | G | 100.0 |
| Fortum Power and Heat Polska Sp. z o.o. | Poland | G | 100.0 |
| Fortum Service Poland Sp. z o.o. | Poland | O | 100.0 |
| Fortum Silesia SA | Poland | G | 100.0 |
| Fortum Sprzedaż Sp. z o.o. | Poland | CS | 100.0 |
| Escandinava de Electricidad S.L.U | Spain | CS | 100.0 |
| Alvret Solpark AB | Sweden | G | 100.0 |
| Blybergs Kraftaktiebolag | Sweden | G | 66.7 |
| Borgvik Vindkraft AB | Sweden | G | 100.0 |
| Brännälven Kraft AB | Sweden | G | 67.0 |
| Fortum 1 AB | Sweden | O | 100.0 |
| Fortum Förnyelsebar Sverige 2 AB | Sweden | G | 100.0 |
| Fortum Förnyelsebar Sverige 3 AB | Sweden | G | 100.0 |
| Fortum Förnyelsebar Sverige AB | Sweden | G | 100.0 |
| Fortum Grön AB | Sweden | O | 100.0 |
| Fortum Markets AB | Sweden | CS | 100.0 |
| Fortum Power AB | Sweden | O | 100.0 1) |
| Fortum Produktionsnät AB | Sweden | G | 100.0 |
| Fortum Sverige AB | Sweden | G, O | 100.0 |
| Fortum Sweden AB | Sweden | O | 100.0 |
| Fortum Vindkraft Sverige 3 AB | Sweden | G | 100.0 |
| Fortum Vindkraft Sverige 4 AB | Sweden | G | 100.0 |
| Klinthögen Vindkraft AB | Sweden | G | 100.0 |
| Mellansvensk Kraftgrupp Aktiebolag | Sweden | G | 86.9 |
| Nya Bullerforsen Kraft AB | Sweden | G | 65.9 |
| Oreälvens Kraftaktiebolag | Sweden | G | 65.0 |
| Sävar Vindkraft AB | Sweden | G | 100.0 |
| Tuna Vindkraft AB | Sweden | G | 100.0 |
| Uddeholm Kraft Aktiebolag | Sweden | G | 100.0 |
| Värmlandskraft-OKG-delägarna Aktiebolag | Sweden | G | 73.3 |
| Fortum Energy Limited | United Kingdom | O | 100.0 |
| Fortum O&M (UK) Limited | United Kingdom | O | 100.0 |
| Fortum Ratcliffe Limited | United Kingdom | O | 100.0 |
| IVO Energy Limited | United Kingdom | O | 100.0 |
| Valo Ventures I LP Fund | USA | O | 99.0 |

## Associated companies and joint ventures by segment

| Entity Name | Country | Segment | Group holding % |
|---|---|---|---|
| AskKauko Oy | Finland | O | 26.8 |
| Battery Intelligence Oy | Finland | O | 32.9 |
| Kemijoki Oy | Finland | G | 28.3 |
| Posiva Oy | Finland | G | 40.0 |
| Puro.earth Oy | Finland | O | 14.0 |
| Sallila Energia Oy | Finland | O | 46.0 |
| Teollisuuden Voima Oyj | Finland | G | 25.8 |
| Turun Seudun Energiantuotanto Oy | Finland | G | 53.5 |
| Turun Seudun Kaukolämpö Oy | Finland | G | 30.0 |
| Assam Bio Refinery Private Limited | India | O | 40.3 |
| Fortum Charge & Drive India Private Limited | India | G | 59.0 |
| Nordic Wind B.V. | Netherlands | G | 20.0 |
| Fortum Nordkraft Vind DA | Norway | G | 50.0 |
| Linnvasselv Kraftlag SA | Norway | G | 50.0 |
| Blåsjön Kraft AB | Sweden | G | 50.0 |
| Fifty Energy AB | Sweden | O | 23.4 |
| Forsmarks Kraftgrupp Aktiebolag | Sweden | G | 25.5 |
| Horrmundsvalla Kraftaktiebolag | Sweden | G | 50.0 |
| OKG Aktiebolag | Sweden | G | 45.5 |
| Stensjön Kraft AB | Sweden | G | 50.0 |
| Tåsans Kraftaktiebolag | Sweden | G | 40.0 |
| Vattenkraftens Miljöfond Sverige AB | Sweden | G | 22.6 |
| Väsa Kraftaktiebolag | Sweden | G | 50.0 |
| Ångefallen Kraft AB | Sweden | G | 50.0 |
| South Clyde Energy Recovery Holdings Limited | United Kingdom | O | 50.0 |

## Non-consolidated companies

As a result of the Presidential decree (No. 302) issued by Russia on 25 April 2023 and the seizure of Fortum's Russian assets, Fortum lost control of its Russian operations. Consequently, the Russia segment was deconsolidated in 2023. See also Note 3 Acquisitions and disposals.

### Russian companies consolidated earlier as subsidiaries

| Entity Name [1] |
|---|
| Fortum Wind Energy Joint Stock Company |
| Fortum-New Generation 3 Limited Liability Company |
| Fortum-New Generation 5 Limited Liability Company |
| Joint Stock Company Chelyabenergoremont |
| LLC Bugulchanskaya Solar power station |
| PAO Fortum |
| Ural Heat Networks Company Joint Stock Company |
| Wind Power Assets Management LLC |
| Ulyanovsk Wind Farm LLC |

1) Entity names as of March 2023.

### Russian companies consolidated earlier as associated companies or joint ventures

| Entity Name [1] |
|---|
| Fortum-New Generation 4 Limited Liability Company |
| TGC1 Territorial Generating Company 1 |
| Ural energy retail LLC |

1) Entity names as of March 2023.

# Key figures



## Financial key figures

For information of Alternative Performance Measures used by Fortum, see Reconciliations of alternative performance measures, Definitions of key figures and Note 1 Material accounting policies.

| EUR million or as indicated | 2025 | 2024 |
|---|---|---|
| **Income statement** | | |
| **Reported** | | |
| Sales | 4,989 | 5,800 |
| EBITDA | 1,254 | 1,704 |
| Operating profit | 939 | 1,325 |
| - of sales % | 18.8 | 22.8 |
| Share of profit of associates and joint ventures | 56 | 19 |
| Profit before income tax | 936 | 1,399 |
| - of sales % | 18.8 | 24.1 |
| Net profit | 763 | 1,160 |
| Net profit (after non-controlling interests) | 765 | 1,164 |
| **Comparable** | | |
| EBITDA | 1,240 | 1,556 |
| Operating profit | 924 | 1,178 |
| Share of profit of associates and joint ventures | 28 | -30 |
| Net profit (after non-controlling interests) | 739 | 900 |

| EUR million or as indicated | 2025 | 2024 |
|---|---|---|
| **Financial position and cash flow** | | |
| Comparable net assets | 9,150 | 8,554 |
| Capital employed | 13,366 | 13,981 |
| Financial net debt | 1,479 | 367 |
| Capital expenditure and gross investments in shares | 617 | 516 |
| - of sales % | 12.4 | 8.9 |
| Capital expenditure | 500 | 483 |
| Net cash from operating activities | 840 | 1,392 |
| **Key ratios** | | |
| Comparable return on net assets (RONA), % | 10.9 | 13.0 |
| Return on shareholders' equity, % | 8.6 | 13.1 |
| Interest coverage | 20.3 | -169.3 |
| Interest coverage including capitalised borrowing costs | 26.2 | -75.5 |
| Gearing, % | 17 | 4 |
| Financial net debt/comparable EBITDA | 1.2 | 0.2 |
| Equity-to-assets ratio, % | 52 | 53 |
| **Other data** | | |
| Dividends | 664 [1)] | 1,256 |
| Research and development expenditure | 36 | 31 |
| - of sales % | 0.7 | 0.5 |
| Average number of employees | 4,547 | 5,301 |

1) Board of Directors' proposal for the planned Annual General Meeting on 31 March 2026.

See Reconciliations of alternative performance measures and Definitions of key figures.

## Share key figures

| EUR or as indicated | 2025 | 2024 |
|---|---|---|
| **Data per share** | | |
| Earnings per share | 0.85 | 1.30 |
| Comparable earnings per share | 0.82 | 1.00 |
| Cash flow per share | 0.94 | 1.55 |
| Equity per share | 9.52 | 10.11 |
| Dividend per share [1)] | 0.74 [2)] | 0.90 |
| Special dividend per share | — [2)] | 0.50 |
| Total dividend per share | 0.74 [2)] | 1.40 |
| Payout ratio, % | 90 [2)] | 90 |
| Total payout ratio, % | 90 [2)] | 140 |
| Dividend yield, % | 4.1 [2)] | 10.4 |
| Price/earnings ratio (P/E) | 21.4 | 10.4 |
| **Share prices** | | |
| At the end of the period | 18.18 | 13.52 |
| Average | 15.67 | 13.14 |
| Lowest | 12.25 | 10.83 |
| Highest | 20.38 | 15.01 |
| **Other data** | | |
| Market capitalisation at the end of the period, EUR million | 16,312 | 12,127 |
| Trading volumes [3)] | | |
| Number of shares, 1,000 shares | 357,342 | 433,363 |
| In relation to weighted average number of shares, % | 39.8 | 48.3 |
| 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 |

1) Dividend according to dividend policy.
2) Board of Directors' proposal for the planned Annual General Meeting on 31 March 2026.
3) Trading volumes in the table represent volumes traded on Nasdaq Helsinki. In addition to the Nasdaq Helsinki, Fortum shares were traded on several alternative market places, for example at Cboe and Turquoise, and on the OTC market. During 2025, approximately 68% (2024: 69%) of Fortum's shares were traded on markets other than the Nasdaq Helsinki Ltd.

See Definitions of key figures.

## Sustainability key figures

| | 2025 | 2024 |
|---|---|---|
| Total market-based GHG emissions, Scope 1-3, million tonnes (Mt) $CO_2$-eq | 12.1 | 12.9 |
| Direct Scope 1 GHG emissions, Mt $CO_2$-eq | 0.8 | 1.4 |
| Indirect market-based Scope 2 GHG emissions, Mt $CO_2$-eq | 0.13 | 0.02 |
| Indirect GHG emissions, Scope 3, Mt $CO_2$-eq | 11.2 | 11.5 |
| Specific $CO_2$ emissions from total energy production, g$CO_2$/kWh | 16 | 26 |
| Specific $CO_2$ emissions from total power generation, g$CO_2$/kWh | 8 | 11 |
| Nitrogen oxides ($NO_x$) emissions, tonnes [1] | 1,302 | 1,378 |
| Sulphur dioxide ($SO_2$) emissions, tonnes [1] | 242 | 617 |
| Major environmental incidents, no. | 0 | 1 |
| Share of power generation from renewable and nuclear sources, % [2] | 99 | 99 |
| Fortum's coal-based capacity, GW | 1.0 | 1.0 |
| Share of coal of sales, % | 2 | 3 |
| Share of fossil fuels of sales, % | 13 | 12 |
| Total Recordable Injury Frequency (TRIF), own personnel and contractors, injuries per million working hours | 2.4 | 4.0 |
| Severe and fatal injuries, own personnel and contractors, no. | 1 | 2 |
| Execution rate for Safety improvement plans, % | 90 | 90 |
| Supplier qualification rate, % | 88 | 81 |
| Employee engagement score, industry benchmark for 'Energy and Utilities' sector | 7.7 | 7.5 |
| Confirmed incidents of corruption and bribery, no. | 0 | 0 |

1) Figures exclude the recycling and waste business divested in November 2024.
2) Renewable sources include hydropower and wind.

## EU Taxonomy KPIs

| **Turnover KPI, %** | **2025** | **2024** |
|---|---|---|
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | 47 | 49 |
| A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) | 1 | 1 |
| **A. Total Taxonomy-eligible activities** | **47** | **50** |

| **Operating expenses KPI, %** | **2025** | **2024** |
|---|---|---|
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | 79 | 75 |
| A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) | 3 | 4 |
| **A. Total Taxonomy-eligible activities** | **82** | **79** |

| **Capital expenditure KPI, %** | **2025** | **2024** |
|---|---|---|
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | 61 | 74 |
| A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) | 14 | 2 |
| **A. Total Taxonomy-eligible activities** | **75** | **76** |

# Segment key figures

## Sales by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 3,245 | 3,795 |
| - of which internal | 170 | 307 |
| Consumer Solutions | 3,029 | 3,073 |
| - of which internal | 8 | 5 |
| Other Operations | 187 | 596 |
| - of which internal | 158 | 157 |
| Eliminations and Netting of Nord Pool transactions | -1,472 | -1,664 |
| **Total** | **4,989** | **5,800** |

## Comparable operating profit by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 893 | 1,218 |
| Consumer Solutions | 122 | 76 |
| Other Operations | -91 | -116 |
| **Total** | **924** | **1,178** |
| Impairment charges and reversals | -25 | -17 |
| Capital gains and other related items | -4 | 183 |
| Changes in fair values of derivatives hedging future cash flow | 47 | -61 |
| Other | -3 | 43 |
| **Operating profit** | **939** | **1,325** |

## Comparable EBITDA by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 1,098 | 1,421 |
| Consumer Solutions | 213 | 161 |
| Other Operations | -71 | -26 |
| **Total** | **1,240** | **1,556** |

## Depreciation and amortisation by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 204 | 204 |
| Consumer Solutions | 92 | 85 |
| Other Operations | 19 | 90 |
| **Total** | **315** | **379** |

## Comparable share of profit of associates and joint ventures by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 28 | -26 |
| Other Operations | 0 | -3 |
| **Total** | **28** | **-30** |

## Share of profit of associates and joint ventures by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 56 | 22 |
| Other Operations | 0 | -3 |
| **Total** | **56** | **19** |

## Capital expenditure by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 438 | 355 |
| Consumer Solutions | 58 | 71 |
| Other Operations | 4 | 57 |
| **Total** | **500** | **483** |

## Gross investments in shares by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 62 | 0 |
| Consumer Solutions | 20 | 0 |
| Other Operations | 35 | 33 |
| **Total** | **117** | **33** |

## Gross divestments of shares by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | -2 | 34 |
| Other Operations | -1 | 751 |
| **Total** | **-3** | **785** |

## Comparable net assets by segment

| EUR million | 2025 | 2024 |
|---|---|---|
| Generation | 8,135 | 7,608 |
| Consumer Solutions | 718 | 725 |
| Other Operations | 297 | 222 |
| **Total** | **9,150** | **8,554** |

## Comparable return on net assets by segment

| % | 2025 | 2024 |
|---|---|---|
| Generation | 11.8 | 16.0 |
| Consumer Solutions | 18.3 | 11.2 |
| Other Operations | -38.0 | -16.1 |
| **Total** | **10.9** | **13.0** |

## Average number of employees

| | 2025 | 2024 |
|---|---|---|
| Generation | 2,137 | 1,968 |
| Consumer Solutions | 1,124 | 1,176 |
| Other Operations | 1,286 | 2,158 |
| **Total** | **4,547** | **5,301** |

# Reconciliations of alternative performance measures

## Comparable EBITDA

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Operating profit | | 939 | 1,325 |
| + Depreciation and amortisation | | 315 | 379 |
| EBITDA | | 1,254 | 1,704 |
| - Items affecting comparability | 7 | -15 | -147 |
| **Comparable EBITDA** | | **1,240** | **1,556** |

## Comparable operating profit

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Operating profit | | 939 | 1,325 |
| - Items affecting comparability | 7 | -15 | -147 |
| **Comparable operating profit** | 7 | **924** | **1,178** |

## Comparable return on net assets

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **Comparable operating profit** | | **924** | **1,178** |
| Comparable share of profit of associates and joint ventures | 7, 19 | 28 | -30 |
| **Comparable operating profit including comparable share of profit/loss of associates and joint ventures** | | **952** | **1,148** |
| | | | |
| Segment assets at the end of the period | | 10,054 | 9,496 |
| Segment liabilities at the end of the period | | 905 | 942 |
| **Comparable net assets** | | **9,150** | **8,554** |
| **Comparable net assets average** [1)] | | **8,746** | **8,852** |
| | | | |
| **Comparable return on net assets (RONA), %** | | **10.9** | **13.0** |

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

## Items affecting comparability

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Impairment charges and reversals | | -25 | -17 |
| Capital gains and other related items | 3 | -4 | 183 |
| Changes in fair values of derivatives hedging future cash flow | | 47 | -61 |
| Other | | -3 | 43 |
| **Items affecting comparability** | 7 | **15** | **147** |

## Comparable net profit

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| Net profit | | 763 | 1,160 |
| - Items affecting comparability | 7 | -15 | -147 |
| - Adjustments to share of profit/loss of associates and joint ventures | 19 | -27 | -49 |
| - Adjustments to finance costs - net | 11 | 4 | -91 |
| - Adjustments to income tax expenses | | 10 | 20 |
| - Non-controlling interests | | 2 | 4 |
| - Adjustments to non-controlling interests | | 1 | 3 |
| **Comparable net profit** | 7 | **739** | **900** |

## Comparable earnings per share

| | Note | 2025 | 2024 |
|---|---|---|---|
| Comparable net profit, EUR million | 7 | 739 | 900 |
| Average number of shares during the period, 1,000 shares | | 897,264 | 897,264 |
| **Comparable earnings per share, EUR** | | **0.82** | **1.00** |

## Financial net debt

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **+ Interest-bearing liabilities** | | **4,746** | **4,828** |
| **- Liquid funds** | | **2,903** | **4,136** |
| **- Collateral arrangement** | | **241** | **213** |
| - Margin receivables | | 179 | 205 |
| +Margin liabilities | | 55 | 93 |
| **+/- Net margin liabilities/receivables** | | **-124** | **-111** |
| **Financial net debt** | 26 | **1,479** | **367** |

## Financial net debt/comparable EBITDA

| EUR million | Note | 2025 | 2024 |
|---|---|---|---|
| **+ Interest-bearing liabilities** | | **4,746** | **4,828** |
| **- Liquid funds** | | **2,903** | **4,136** |
| **- Collateral arrangement** | | **241** | **213** |
| - Margin receivables | | 179 | 205 |
| + Margin liabilities | | 55 | 93 |
| **+/- Net margin liabilities/receivables** | | **-124** | **-111** |
| **Financial net debt** | **27** | **1,479** | **367** |
| | | | |
| Operating profit | | 939 | 1,325 |
| + Depreciation and amortisation | | 315 | 379 |
| **EBITDA** | | **1,254** | **1,704** |
| - Items affecting comparability | | -15 | -147 |
| **Comparable EBITDA** | | **1,240** | **1,556** |
| | | | |
| **Financial net debt/comparable EBITDA** | | **1.2** | **0.2** |

# Definitions 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. | Note 5 Capital risk management |
| 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 expenses 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 |
| 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 7 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 7 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 7 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 7 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 7 Comparable operating profit and comparable net profit |

| Business performance | Definition | Reason to use the measure | Reference to reconciliation |
|---|---|---|---|
| Comparable earnings per share | Comparable net profit / 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 7 Comparable operating profit and comparable net profit |
| Comparable return on net assets (RONA), % | Comparable operating profit + comparable share of profit/loss in associates and joint ventures / Comparable net assets average x 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 6 Revenue and reportable segments |
| 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 6 Revenue and reportable segments |

| 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 for capital structure. | Note 5 Capital risk management |
| 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 27 Interest-bearing liabilities |
| Capital employed | Total assets - total non-interest bearing liabilities | Capital employed is the book value of the invested capital and it was used as a component when calculating the Return of capital employed in the group. | Note 6 Revenue and reportable segments |

See Note 1.4 Measures for performance and Note 7 Comparable operating profit and comparable net profit.

## Share based key figures

| | |
|---|---|
| Earnings per share (EPS) | Profit for the period - non-controlling interests / Average number of shares during the period |
| Cash flow per share | Net cash from operating activities / Average number of shares during the period |
| Equity per share | Shareholders' equity / Number of shares at the end of the period |
| Payout ratio, % | Dividend per share / Comparable earnings per share x 100 |
| Total payout ratio, % | Total dividend per share / Comparable earnings per share x 100 |
| Dividend yield, % | Total dividend per share / Share price at the end of the period x 100 |
| Price/earnings (P/E) ratio | Share price at the end of the period / Earnings per share |
| Average share price | Amount traded in euros during the period / Number of shares traded during the period |
| Market capitalisation | Number of shares at the end of the period x share price at the end of the period |
| Trading volumes | Number of shares traded during the period in relation to the weighted average number of shares during the period |

## Other key figures

| | |
|---|---|
| EBITDA | Operating profit + depreciations and amortisations |
| Funds from operations (FFO) | Net cash from operating activities before change in working capital |
| 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. |
| Return on shareholders' equity (ROE), % | Profit for the year / Total equity average x 100 |
| Gearing, % | Financial net debt / Total equity including non-controlling interests x 100 |
| Equity-to-assets ratio, % | Total equity including non-controlling interests / Total assets x 100 |
| Interest coverage | Operating profit / Net interest expenses |
| Interest coverage including capitalised borrowing costs | Operating profit / Net interest expenses - capitalised borrowing costs |
| Average number of employees | Average of the number of employees at the end of each calendar month during the period and at the end of the previous period |

## Tax key figures

| | |
|---|---|
| Effective income tax rate,% | $\frac{\text{Income tax expense}}{\text{Profit before income tax}} \times 100$ |
| Comparable effective income tax rate, % | $\frac{\text{Comparable income tax}}{\text{Comparable profit before income tax excluding comparable share of profit/loss from associated companies and joint ventures}} \times 100$ |
| Weighted average applicable income tax rate | Sum of the proportionately weighted share of profits before taxes of each of the group's operating country multiplied by an applicable nominal tax rate of the respective countries. |

## Sustainability key figures

| | |
|---|---|
| Total market-based GHG emissions (Scope 1-3), million tonnes $CO_2$-eq | Sum of Fortum's Scope 1, 2 and 3 GHG emissions. |
| Direct Scope 1 GHG emissions, million tonnes $CO_2$-eq | Direct GHG emissions from sources owned and controlled by Fortum. |
| Indirect market-based Scope 2 GHG emissions, million tonnes $CO_2$-eq | Indirect GHG emissions from the generation of purchased or acquired electricity, steam, heat and cooling consumed by Fortum. This includes the losses incurred within the heat network. |
| Indirect GHG emissions, Scope 3, million tonnes $CO_2$-eq | All indirect GHG emissions (not included in Scope 2 GHG emissions) that occur in Fortum's value chain, including both upstream and downstream emissions. Scope 3 GHG emissions can be broken down into Scope 3 categories (1-15). |
| Specific $CO_2$ emissions from total energy production, $gCO_2/kWh$ | Direct $CO_2$ emissions from power and heat production / produced energy. |
| Specific $CO_2$ emissions from power generation, $gCO_2/kWh$ | Direct $CO_2$ emissions from power generation /generated power. |
| Nitrogen oxides ($NO_x$) emissions, tonnes | Nitrogen oxides emissions produced in fuel combustion. |
| Sulphur dioxide ($SO_2$) emissions, tonnes | Sulphur dioxide emissions produced in fuel combustion. |
| Major environmental incidents, number | Environmental incidents that resulted in significant harm to the environment (ground, water, air) or an environmental non-compliance with legal or regulatory requirements. |
| Share of power generation from renewable and nuclear sources, % | Power generation from renewable and nuclear sources / generated power. |
| Fortum's coal-based capacity, GW | Coal-based power generation and heat production capacity. |
| Share of coal of sales, % | Power and heat sales from coal / total sales x 100. |
| Share of fossil fuels of sales, % | Sales of fossil-based power and heat production and gas / total sales x 100. |
| Total Recordable Injury Frequency (TRIF), own personnel and contractors | Injuries per million working hours. |
| Severe and fatal injuries, own personnel and contractors, no | Fatality is a work-related accident that leads to death as a result of injuries incurred within one year from the day of the accident. Severe accident is an accident with severe and life-threatening injuries that potentially could lead to fatal or permanent disability. |
| Execution rate for Safety improvement plans, % | Group level execution rate of safety improvement plans. Group rate is calculated as an average of business level results. |
| Supplier qualification rate, % | Spend from qualified suppliers divided by total procurement spend in the scope of the qualification process. |
| Employee engagement score, industry benchmark for 'Energy and Utilities' sector | Employee engagement score measured through Employee Voice survey. Engagement score of Energy and Utilities sector. |
| Confirmed incidents of corruption and bribery, no | Total number of confirmed incidents of corruption or bribery. |
| EU Taxonomy Turnover KPI | Taxonomy-aligned or Taxonomy-eligible (not aligned) sales / total sales x 100. Turnover is based on the sales reported on Fortum's consolidated income statement. |
| EU Taxonomy Operating expenses KPI | Taxonomy-aligned or Taxonomy-eligible (not aligned) operating expenses / total operating expenses x 100. Operating expenses consist of direct non-capitalised costs that are necessary to ensure the continued and effective functioning of property, plant and equipment. These expenses include repairs and maintenance, building servicing, short-term rentals and similar costs, as well as other direct expenditures relating to the day-to-day servicing of these assets. |
| EU Taxonomy Capital expenditure KPI | Taxonomy-aligned or Taxonomy-eligible (not aligned) capital expenditure / total capital expenditure x 100. Capital expenditure consists of additions to property, plant and equipment, intangible assets, right-of-use assets, as well as additions through business combinations. |

# Parent company financial statements



# Income statement

| EUR | Note | 2025 | 2024 |
|---|---|---|---|
| Sales | 2 | 177,224,885.00 | 175,213,490.00 |
| Other income | 3 | 8,132,844.00 | 9,589,707.00 |
| Employee benefits | 4 | -70,687,160.96 | -64,511,312.78 |
| Depreciation, amortisation and write-downs | 8 | -5,113,420.25 | -6,622,031.00 |
| Other expenses | | -139,549,842.25 | -141,395,048.00 |
| **Operating loss** | | **-29,992,694.46** | **-27,725,194.78** |
| Financial income and expenses | 6 | 44,565,748.10 | 1,034,041,010.00 |
| **Profit before appropriations and income tax** | | **14,573,053.64** | **1,006,315,815.22** |
| Appropriations | | 314,110.10 | 42,966.00 |
| Group contributions received [1)] | | 278,634,000.00 | 504,187,000.00 |
| **Profit before income tax** | | **293,521,163.74** | **1,510,545,781.22** |
| Income tax expense | 7 | -40,048,906.43 | -103,773,536.99 |
| **Profit for the year** | | **253,472,257.31** | **1,406,772,244.23** |

1) Taxable profits transferred from Finnish subsidiaries.

# Balance sheet

| EUR | Note | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| | | | |
| **Non-current assets** | | | |
| Intangible assets | 8 | 8,370,718 | 11,860,485 |
| Property, plant and equipment | 8 | 1,414,709 | 2,035,331 |
| Shares in Group companies | 8 | 14,469,381,635 | 13,184,062,186 |
| Interest-bearing receivables from Group companies | 8 | 2,439,505,088 | 3,936,597,398 |
| Other non-current assets | 8 | 110,000 | 110,000 |
| Derivative financial instruments | 13, 14 | 69,028,524 | 109,243,047 |
| Deferred tax assets | | 1,727,100 | 1,799,063 |
| **Total non-current assets** | | **16,989,537,774** | **17,245,707,511** |
| | | | |
| **Current assets** | | | |
| Other current receivables from Group companies | 9 | 324,409,682 | 561,170,142 |
| Other current receivables from associated companies | | 3,635,404 | 421,592 |
| Derivative financial instruments | 13, 14 | 97,585,612 | 82,979,845 |
| Other current receivables | 9 | 132,881,362 | 30,721,594 |
| Cash and cash equivalents | | 2,842,201,212 | 4,089,834,931 |
| **Total current assets** | | **3,400,713,272** | **4,765,128,104** |
| **Total assets** | | **20,390,251,046** | **22,010,835,614** |

| EUR | Note | 31 Dec 2025 | 31 Dec 2024 |
|---|---|---|---|
| **EQUITY** | | | |
| | | | |
| **Shareholders' equity** | 10 | | |
| Share capital | | 3,046,185,953 | 3,046,185,953 |
| Share premium | | 2,821,690,902 | 2,821,690,902 |
| Hedging reserve | | 6,841,925 | 8,180,510 |
| Retained earnings | | 6,516,385,489 | 6,365,783,496 |
| Profit for the year | | 253,472,257 | 1,406,772,244 |
| **Total equity** | | **12,644,576,528** | **13,648,613,105** |
| | | | |
| **Accumulated appropriations** | | **1,067,270** | **1,381,380** |
| | | | |
| **Provisions for liabilities and charges** | | **207,075** | **284,154** |
| | | | |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| External interest-bearing liabilities | 11 | 3,080,630,465 | 3,847,085,184 |
| Interest-bearing liabilities to Group companies | | 3,311,617,211 | 3,744,495,197 |
| Interest-bearing liabilities to associated companies | | 232,341,184 | 232,341,184 |
| Derivative financial instruments | 13, 14 | 44,529,770 | 61,978,295 |
| Other non-current liabilities | | 5,961,096 | 6,085,411 |
| **Total non-current liabilities** | | **6,675,079,725** | **7,891,985,272** |
| | | | |
| **Current liabilities** | | | |
| External interest-bearing liabilities | 11 | 802,776,442 | 192,088,813 |
| Trade and other payables to Group companies | 12 | 47,600,449 | 49,987,005 |
| Trade and other payables to associated companies | 12 | 7,972,362 | 10,304,648 |
| Derivative financial instruments | 13, 14 | 88,065,029 | 59,369,982 |
| Trade and other payables | 12 | 122,906,166 | 156,821,256 |
| **Total current liabilities** | | **1,069,320,448** | **468,571,702** |
| **Total liabilities** | | **7,744,400,173** | **8,360,556,974** |
| **Total equity and liabilities** | | **20,390,251,046** | **22,010,835,614** |

# Cash flow statement

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| **Cash flow from operating activities** | | |
| Profit for the year | 253,472 | 1,406,772 |
| Adjustments: | | |
| Income tax expense | 40,049 | 103,774 |
| Group contributions | -278,634 | -504,187 |
| Finance costs - net | -44,576 | -1,034,041 |
| Depreciation, amortisation, write-downs and appropriations | 4,799 | 6,579 |
| **Operating profit before depreciation (EBITDA)** | **-24,889** | **-21,103** |
| | | |
| Non-cash flow items | -16 | -128,228 |
| Capital gains and losses on the sale of fixed assets and shares | -46 | 0 |
| Interest and other financial income received | 241,464 | 423,633 |
| Interest and other financial expenses paid | -262,877 | -388,161 |
| Dividends received | 95,000 | 1,116,524 |
| Group contributions received | 504,187 | 204,740 |
| Realised foreign exchange gains and losses | 32,192 | 49,098 |
| Income taxes paid | -90,085 | -86,597 |
| **Funds from operations** | **494,930** | **1,169,906** |
| | | |
| Other short-term receivables increase(-)/decrease(+) | -6,159 | -18,974 |
| Other short-term payables increase(+)/decrease(-) | -10,509 | 11,669 |
| **Change in working capital** | **-16,668** | **-7,306** |
| | | |
| **Net cash from operating activities** | **478,262** | **1,162,601** |
| | | |
| **Cash flow from investing activities** | | |
| Capital expenditures | -953 | -1,548 |
| Acquisition of shares and capital contributions in subsidiaries | -1,285,342 | 0 |
| Capital return from other companies | 0 | 12 |
| Proceeds from sales of shares | 0 | 687,789 |
| Proceeds from sales of property, plant and equipment | 200 | 0 |
| Change in interest-bearing receivables and other non-current assets | 1,426,796 | 1,961,830 |
| **Net cash used in investing activities** | **140,701** | **2,648,082** |

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| **Cash flow before financing activities** | **618,963** | **3,810,683** |
| | | |
| **Cash flow from financing activities** | | |
| Payment of long-term liabilities | -43,470 | -916,703 |
| Change in cashpool liabilities | -432,878 | -1,864,830 |
| Change in short-term liabilities | -134,076 | -39,167 |
| Dividends paid | -1,256,170 | -1,031,854 |
| **Net cash from financing activities** | **-1,866,595** | **-3,852,554** |
| | | |
| **Net increase(+)/decrease(-) in liquid funds** | **-1,247,632** | **-41,871** |
| | | |
| **Liquid funds at the beginning of the year** | **4,089,835** | **4,131,705** |
| **Liquid funds at the end of the year** | **2,842,201** | **4,089,835** |

# Notes to the Parent Company Financial Statements

## 1 Accounting policies and principles

The financial statements of Fortum Oyj for the year ended 31 December 2025 are prepared in accordance with Finnish Accounting Standards (FAS).

### 1.1 Sales

Sales include sales revenue from actual operations and exchange rate differences on trade receivables, less discounts and indirect taxes such as value added tax.

### 1.2 Other income

Other income includes gains on the sales of property, plant and equipment and shareholdings, as well as all other operating income not related to the sales of products or services, such as rents.

### 1.3 Foreign currency items and derivative instruments

Transactions denominated in foreign currencies have been valued using the exchange rate at the date of the transaction. Receivables and liabilities denominated in foreign currencies outstanding on the balance sheet date have been valued using the exchange rate quoted on the balance sheet date. Exchange rate differences have been entered in the financial net in the income statement.

Fortum Oyj enters into derivative contracts mainly for hedging foreign exchange and interest rate exposures in Fortum Group.

Finnish Accounting Board issued new requirements for accounting of financial derivatives on 13 December 2016 (KILA 1963/2016), whereby Fortum Oyj chose to apply IFRS 9 Financial Instruments standard for derivative instruments and hedge accounting in statutory financial statements. Accounting principles on financial derivatives, see Note 4 Financial risk management, Note 15 Financial assets and liabilities by categories and Note 16 Financial assets and liabilities by fair value hierarchy in the Consolidated financial statements.

### 1.4 Income taxes

Income taxes presented in the income statement consist of accrued taxes for the financial year and tax adjustments for prior years.

### 1.5 Shares in group companies

The balance sheet value of shares in group companies consists of historical costs less write-downs. If the estimated future cash flows generated by a non-current asset are expected to be permanently lower than the carrying amount, an adjustment to the value is made to write-down the difference as an expense. If the basis for the write-down can no longer be justified at the balance sheet date, it is reversed.

### 1.6 Intangible assets and property, plant and equipment

The balance sheet value of intangible assets and property, plant and equipment consists of historical costs less depreciation and possible write-downs. Intangible assets and property, plant and equipment are depreciated using straight-line depreciation based on the expected useful life of the asset.

The depreciation is based on the following expected useful lives:

| | |
|---|---|
| Machinery and equipment | 3–5 years |
| Intangible assets | 5–10 years |

### 1.7 Pension expenses

Pension obligations are covered through a compulsory pension insurance policy or pension fund. Costs for pension fund are recorded in the income statement based on contributions paid pursuant to the Finnish pension laws and regulations.

### 1.8 Long-term incentive programmes

Costs related to the long-term incentive plans are accrued over the earnings period and the related liability is booked to the balance sheet.

### 1.9 Provisions

Foreseeable future expenses and losses that have no corresponding revenue to which Fortum is committed or obliged to settle, and whose monetary value can be reasonably assessed, are entered as expenses in the income statement and included as provisions on the balance sheet.

## 2 Sales by market area

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| Finland | 93,918 | 94,868 |
| Other countries | 83,307 | 80,345 |
| **Total** | **177,225** | **175,213** |

## 3 Other income

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| Rental and other income | 8,133 | 9,590 |
| **Total** | **8,133** | **9,590** |

## 4 Employee benefits

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| **Personnel expenses** | | |
| Wages, salaries and remunerations | 56,562 | 51,161 |
| Indirect employee costs | | |
| Pension costs | 10,047 | 9,100 |
| Other indirect employee costs | 1,822 | 1,454 |
| Other personnel expenses | 2,256 | 2,796 |
| **Total** | **70,687** | **64,511** |

| | 2025 | 2024 |
|---|---|---|
| EUR 1,000 | Markus Rauramo, President and CEO | Markus Rauramo, President and CEO |
| **Compensation for the President and CEO** | | |
| Salaries and fringe benefits | 1,255 | 1,586 |
| Short-term incentives | 542 | 239 |
| Long-term incentives | 523 | 459 |
| Pensions (statutory) | 302 | 296 |
| Pensions (voluntary) | 252 | 315 |
| Social security expenses | 57 | 42 |
| **Total** | **2,931** | **2,937** |

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| Compensation for the Board of Directors | 968 | 916 |

The compensation above is presented on accrual basis. Paid salaries and remunerations for the President and CEO Markus Rauramo were EUR 1,549 thousand (2024: 1,589).

In accordance with the terms of the Solidium bridge financing facility with the Finnish State in 2022, the President and CEO and other Fortum Leadership Team members were not paid any short- or long-term incentives that accumulated in 2022 and 2023. The remuneration restrictions have an impact on a total of four LTI plans, the last of which continued until the end of 2025. Costs for these plans are accrued over the vesting period.

For the President and CEO Markus Rauramo the retirement age is determined in accordance with the Finnish Employees' Pension Act. The pension obligations are covered through insurance company.

Board members are not in an employment relationship or service contract with Fortum, and they are not given the opportunity to participate in Fortum's STI or LTI programme, nor does Fortum have a pension plan that they can opt to take part in. The compensation of the board members is not tied to the sustainability performance of the Group.

See Note 10 Employee benefits and Board remuneration and Note 32 Pension obligations in the Consolidated financial statements.

| | 2025 | 2024 |
|---|---|---|
| Average number of employees | 567 | 505 |

## 5 Auditor's fees

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| Audit fees | 439 | 514 |
| Audit-related assignments | 102 | 235 |
| Tax assignments | 37 | 15 |
| **Total** | **579** | **765** |

Deloitte Oy is the appointed auditor for the financial year 2025. Audit fees include fees for the audit of the consolidated financial statements, procedures for interim reports, as well as fees for the audit of Fortum Corporation. The audit fees also include the limited assurance of the sustainability statement. Audit-related assignments include fees for other assurance and associated services related to the audit.

# 6 Financial income and expenses

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| Dividend income from group companies [1] | 95,000 | 1,116,524 |
| Interest and other financial income from group companies | 152,495 | 272,333 |
| Loss/Gain on sale of shares to other group companies | -10 | 128,086 |
| Write-downs of participations in group companies | -3 | -250,088 |
| Interest and other financial income | 83,885 | 163,644 |
| Exchange rate differences | -25,173 | 11,176 |
| Changes in fair values of derivatives | -935 | -1,373 |
| Interest and other financial expenses to group companies | -122,523 | -198,854 |
| Interest and other financial expenses | -138,170 | -207,407 |
| **Total** | **44,566** | **1,034,041** |
| | | |
| Interest income | 231,606 | 427,419 |
| Interest expenses | -255,088 | -398,477 |
| **Interest costs - net** | **-23,482** | **28,942** |

1) In 2024, the amount includes dividend income EUR 250 million from Fortum Waste Solutions Oy, which was not part of the group at 31 December 2024.

# 7 Income tax expense

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| Taxes on regular business operations | 15,678 | -2,936 |
| Taxes on group contributions | -55,727 | -100,837 |
| **Total** | **-40,049** | **-103,774** |
| | | |
| Current taxes for the period | -40,360 | -104,004 |
| Current taxes for prior periods | 314 | -20 |
| Changes in deferred tax | -3 | 251 |
| **Total** | **-40,049** | **-103,774** |

# 8 Non-current assets

## Intangible assets

| EUR 1,000 | Total |
|---|---|
| **Cost 1 January 2025** | **51,417** |
| Additions | 613 |
| Disposals | -367 |
| **Cost 31 December 2025** | **51,664** |
| | |
| **Accumulated depreciation 1 January 2025** | **39,562** |
| Disposals | -414 |
| Depreciation for the year | 4,146 |
| **Accumulated depreciation 31 December 2025** | **43,294** |
| | |
| **Carrying amount 31 December 2025** | **8,370** |
| **Carrying amount 31 December 2024** [1] | **11,860** |

1) The note disclosure carrying amount as of 31 December 2024 has been adjusted to match the balance sheet value.

## Property, plant and equipment

| EUR 1,000 | Machinery and equipment | Advances paid and construction in progress | Total |
|---|---|---|---|
| **Cost 1 January 2025** | **12,205** | **195** | **12,400** |
| Additions and transfers between categories | 0 | 542 | 542 |
| Disposals | -541 | -62 | -603 |
| **Cost 31 December 2025** | **11,663** | **676** | **12,339** |
| | | | |
| **Accumulated depreciation 1 January 2025** | **10,365** | **0** | **10,365** |
| Disposals | -402 | 0 | -402 |
| Depreciation for the year | 962 | 0 | 962 |
| **Accumulated depreciation 31 December 2025** | **10,925** | **0** | **10,925** |
| | | | |
| **Carrying amount 31 December 2025** | **739** | **676** | **1,415** |
| **Carrying amount 31 December 2024** | **1,840** | **195** | **2,035** |

## Investments

| EUR 1,000 | Shares in Group companies | Participation in associated companies | Receivables from Group companies | Receivables from associated companies | Other non-current assets | Total |
|---|---|---|---|---|---|---|
| **Cost 1 January 2025** | **19,686,035** | **2,304** | **3,936,597** | **16,869** | **8,092** | **23,649,898** |
| Additions [1] | 1,285,842 | 0 | | | | 1,285,842 |
| Disposals | -523 | 0 | -1,497,092 | | 0 | -1,497,615 |
| **Cost 31 December 2025** | **20,971,355** | **2,304** | **2,439,505** | **16,869** | **8,092** | **23,438,125** |
| | | | | | | |
| **Accumulated write-downs 1 January 2025** | **6,501,973** | **2,304** | **0** | **16,869** | **7,982** | **6,529,128** |
| Impairment charges | 0 | 0 | | 0 | | 0 |
| **Accumulated write-downs 31 December 2025** | **6,501,973** | **2,304** | **0** | **16,869** | **7,982** | **6,529,128** |
| | | | | | | |
| **Carrying amount 31 December 2025** | **14,469,382** | **0** | **2,439,505** | **0** | **110** | **16,908,997** |
| **Carrying amount 31 December 2024** | **13,184,062** | **0** | **3,936,597** | **0** | **110** | **17,120,770** |

1) Additions regarding shares comprise acquisitions of shares and capital contributions and reclassification between other non-current assets and shares in Group companies.

## 9 Other current receivables

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| **Other current receivables from group companies** | | |
| Trade receivables | 28,897 | 31,955 |
| Group contribution and other receivables | 278,684 | 504,201 |
| Accrued income and prepaid expenses | 16,828 | 25,014 |
| **Total** | **324,410** | **561,170** |
| | | |
| **Other current receivables** | | |
| Trade receivables | 4,969 | -1,851 |
| Other receivables | 78,261 | 10,083 |
| Accrued income and prepaid expenses | 49,652 | 22,490 |
| **Total** | **132,881** | **30,722** |

See Note 4.2 Liquidity and refinancing risk and Note 27 Interest-bearing liabilities in the Consolidated financial statements.

## 10 Changes in shareholders' equity

| EUR 1,000 | Share capital | Share premium | Hedging reserve | Retained earnings | Total |
|---|---|---|---|---|---|
| **1 January 2025** | **3,046,186** | **2,821,691** | **8,181** | **7,772,556** | **13,648,613** |
| Cash dividend | | | | -1,256,170 | -1,256,170 |
| Change in hedging reserve | | | -1,339 | | -1,339 |
| Profit for the year | | | | 253,472 | 253,472 |
| **31 December 2025** | **3,046,186** | **2,821,691** | **6,842** | **6,769,858** | **12,644,577** |
| | | | | | |
| **1 January 2024** | **3,046,186** | **2,821,691** | **13,699** | **7,397,638** | **13,279,213** |
| Cash dividend | | | | -1,031,854 | -1,031,854 |
| Change in hedging reserve | | | -5,518 | | -5,518 |
| Profit for the year | | | | 1,406,772 | 1,406,772 |
| **31 December 2024** | **3,046,186** | **2,821,691** | **8,181** | **7,772,556** | **13,648,613** |

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| **Distributable funds** | | |
| Retained earnings 31 December | 6,769,858 | 7,772,556 |
| **Total** | **6,769,858** | **7,772,556** |

## 11 Interest-bearing liabilities

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| **External interest-bearing loans** | | |
| Bonds | 1,999,697 | 2,754,738 |
| Loans from financial institutions | 362,124 | 373,540 |
| Other long-term interest-bearing loans | 718,809 | 718,807 |
| **Total long-term interest-bearing loans** | **3,080,630** | **3,847,085** |
| | | |
| Current portion of long-term bonds | 749,916 | 0 |
| Current portion of loans from financial institutions | 17,088 | 16,595 |
| Other short-term interest-bearing loans | 35,773 | 175,493 |
| **Total short-term interest-bearing loans** | **802,776** | **192,089** |
| **Total** | **3,883,407** | **4,039,174** |

## Maturity of external interest-bearing loans

| EUR 1,000 | 2025 |
|---|---|
| 2026 | 802,776 |
| 2027 | 15,492 |
| 2028 | 513,257 |
| 2029 | 767,732 |
| 2030 | 312,456 |
| 2031 and later | 1,471,692 |
| **Total** | **3,883,407** |

See Note 4.2 Liquidity and refinancing risk and Note 27 Interest-bearing liabilities in the Consolidated financial statements.

## External interest-bearing loans due after five years [1)]

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| Bonds | 752,884 | 765,139 |
| Other long-term loans | 718,809 | 731,284 |
| **Total** | **1,471,692** | **1,496,423** |

1) Excludes loans to Group and associated companies.

## Other interest-bearing loans due after five years

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| Interest-bearing loans to associated companies | 232,341 | 232,341 |
| **Total** | **232,341** | **232,341** |

Non-discounted cash flows of interest-bearing loans and their maturities, see Note 13 Financial derivatives.

# 12 Trade and other payables

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| **Trade and other payables to group companies** | | |
| Trade payables | 5,049 | 14,015 |
| Deposits from group companies and other liabilities | 42,225 | 35,863 |
| Accruals and deferred income | 327 | 109 |
| **Total** | **47,600** | **49,987** |
| | | |
| **Trade and other payables to associated companies** | | |
| Accruals and deferred income | 7,972 | 10,305 |
| **Total** | **7,972** | **10,305** |
| | | |
| **Trade and other payables** | | |
| Trade payables | 22,401 | 21,716 |
| Other liabilities | 1,521 | 3,982 |
| Accruals and deferred income | 98,984 | 131,124 |
| **Total** | **122,906** | **156,821** |

# 13 Financial derivatives

## Interest rate and currency derivatives by instrument 2025

| | Notional amount Remaining lifetimes | | | | Fair value | | |
|---|---|---|---|---|---|---|---|
| EUR 1,000 | Under 1 year | 1–5 years | Over 5 years | Total | Positive | Negative | Net |
| **Hedge accounting** | | | | | | | |
| Foreign exchange derivatives | 301,404 | 240,505 | 0 | 541,909 | 13,898 | 12,064 | 1,834 |
| Interest rate swaps | 725,000 | 1,700,000 | 450,000 | 2,875,000 | 59,572 | 31,330 | 28,242 |
| Cross currency swaps | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Non-hedge accounting** | | | | | | | |
| Foreign exchange derivatives | 9,458,272 | 415,725 | 0 | 9,873,996 | 92,350 | 84,214 | 8,135 |
| Interest rate swaps | 13,861 | 0 | 0 | 13,861 | 53 | 0 | 53 |
| Cross currency swaps | 116,274 | 0 | 0 | 116,274 | 742 | 4,987 | -4,245 |
| **Total** | **10,614,811** | **2,356,229** | **450,000** | **13,421,040** | **166,614** | **132,595** | **34,019** |
| Of which long-term | | | | | 69,029 | 44,530 | 24,499 |
| Short-term | | | | | 97,586 | 88,065 | 9,521 |

## Interest rate and currency derivatives by instrument 2024

| | Notional amount Remaining lifetimes | | | | Fair value | | |
|---|---|---|---|---|---|---|---|
| EUR 1,000 | Under 1 year | 1–5 years | Over 5 years | Total | Positive | Negative | Net |
| **Hedge accounting** | | | | | | | |
| Foreign exchange derivatives | 256,086 | 266,967 | 0 | 523,053 | 17,432 | 17,383 | 49 |
| Interest rate swaps | 0 | 2,425,000 | 450,000 | 2,875,000 | 94,874 | 54,448 | 40,426 |
| Cross currency swaps | 0 | 116,274 | 0 | 116,274 | 3,022 | 581 | 2,440 |
| **Non-hedge accounting** | | | | | | | |
| Foreign exchange derivatives | 12,212,661 | 502,664 | 0 | 12,715,325 | 74,670 | 48,936 | 25,734 |
| Interest rate swaps | 0 | 13,090 | 0 | 13,090 | 370 | 0 | 370 |
| Cross currency swaps | 23,656 | 0 | 0 | 23,656 | 1,855 | 0 | 1,855 |
| **Total** | **12,492,404** | **3,323,995** | **450,000** | **16,266,399** | **192,223** | **121,348** | **70,874** |
| Of which long-term | | | | | 109,243 | 61,978 | 47,265 |
| Short-term | | | | | 82,980 | 59,370 | 23,610 |

## Maturity analysis of financial liabilities and derivatives

Interest-bearing loans and lease liabilities are the contractual undiscounted cash flows including principal and interest payments. Trade payables equal the carrying amount as these are due within 12 months. For gross settled derivatives, the contractual nominal amounts are presented below and for net settled interest rate swaps the net cash outflows are presented in the table.

| | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| **EUR 1,000** | **1 year** | **1–5 years** | **Over 5 years** | **Total** | **1 year** | **1–5 years** | **Over 5 years** | **Total** |
| **Non-derivatives** | | | | | | | | |
| Interest-bearing loans, principal and interest payments | 971,894 | 1,996,370 | 2,061,670 | 5,029,933 | 367,204 | 2,783,728 | 2,030,126 | 5,181,059 |
| Lease liabilities | 4,953 | 12,258 | 0 | 17,210 | 4,650 | 7,961 | 0 | 12,612 |
| Trade payables | 22,401 | 0 | 0 | 22,401 | 21,716 | 0 | 0 | 21,716 |
| **Total non-derivatives** | **999,248** | **2,008,627** | **2,061,670** | **5,069,545** | **393,570** | **2,791,690** | **2,030,126** | **5,215,386** |
| | | | | | | | | |
| **Derivatives** | | | | | | | | |
| Foreign exchange derivatives and cross currency swaps | | | | | | | | |
| Cash inflow (-) | -9,968,528 | -664,210 | 0 | -10,632,738 | -12,535,963 | -898,061 | 0 | -13,434,024 |
| Cash outflow | 9,955,624 | 667,168 | 0 | 10,622,791 | 12,506,098 | 890,164 | 0 | 13,396,262 |
| Interest rate swap liabilities (net settled) | 9,984 | 22,537 | 0 | 32,521 | 27,390 | 28,968 | 0 | 56,357 |
| **Total derivatives** | **-2,921** | **25,494** | **0** | **22,574** | **-2,476** | **21,071** | **0** | **18,595** |

Interest-bearing loans include loans from the State Nuclear Waste Management Fund and Teollisuuden Voima Oyj of EUR 951 million (2024: 951). These loans are renewed every three years and the related interest payments are calculated for ten years in the table above.

# 14 Derivatives and liabilities by fair value hierarchy

Fair value measurements are classified using a fair value hierarchy, i.e. Level 1, Level 2 and Level 3 that reflects the significance of the inputs used in making the measurements. For further information see accounting principles in the consolidated financial statements Note 16 Financial assets and liabilities by fair value hierarchy.

## Derivatives at fair value in financial assets

| | Level 1 | | Level 2 | | Level 3 | | Total | |
|---|---|---|---|---|---|---|---|---|
| **EUR 1,000** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| **In non-current assets** | | | | | | | | |
| Derivative financial instruments | | | | | | | | |
| Interest rate and currency derivatives | | | | | | | | |
| Hedge accounting | | | 64,301 | 102,720 | | | 64,301 | 102,720 |
| Non-hedge accounting | | | 4,727 | 6,523 | | | 4,727 | 6,523 |
| | | | | | | | | |
| **In current assets** | | | | | | | | |
| Derivative financial instruments | | | | | | | | |
| Interest rate and currency derivatives | | | | | | | | |
| Hedge accounting | | | 9,168 | 12,607 | | | 9,168 | 12,607 |
| Non-hedge accounting | | | 88,417 | 70,372 | | | 88,417 | 70,372 |
| **Total** | | | **166,614** | **192,223** | | | **16,614** | **192,223** |

## Derivatives and liabilities at fair value in financial liabilities

| | Level 1 | | Level 2 | | Level 3 | | Total | |
|---|---|---|---|---|---|---|---|---|
| **EUR 1,000** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| **In non-current liabilities** | | | | | | | | |
| Interest-bearing liabilities [1)] | | | 990,415 | 990,235 | | | 990,415 | 990,235 |
| Derivative financial instruments | | | | | | | | |
| Interest rate and currency derivatives | | | | | | | | |
| Hedge accounting | | | 35,824 | 58,787 | | | 35,824 | 58,787 |
| Non-hedge accounting | | | 8,706 | 3,191 | | | 8,706 | 3,191 |
| | | | | | | | | |
| **In current liabilities** | | | | | | | | |
| Derivative financial instruments | | | | | | | | |
| Interest rate and currency derivatives | | | | | | | | |
| Hedge accounting | | | 7,570 | 13,625 | | | 7,570 | 13,625 |
| Non-hedge accounting | | | 80,495 | 45,745 | | | 80,495 | 45,745 |
| **Total** | | | **1,123,009** | **1,111,583** | | | **1,123,009** | **1,111,583** |

1) Fair valued part of bond in the fair value hedge relationship.

Net fair value amount of interest rate and currency derivatives was EUR 34 million (2024: 71), including assets EUR 167 million (2024: 192) and liabilities, EUR 133 million (2024: 121). Fortum Corporation has cash collaterals based on Credit Support Annex agreements with some counterparties. At the end of December 2025, Fortum had received EUR 30 million and paid EUR 77 million from foreign exchange and interest rate derivatives under Credit Support Annex agreements.

## 15 Contingent liabilities and other commitments

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| On own behalf | | |
| Other contingent liabilities | 616 | 1,373 |
| On behalf of group companies | | |
| Guarantees | 494,529 | 445,482 |
| On behalf of associated companies | | |
| Guarantees | 1,495,285 | 1,270,512 |
| On behalf of others | | |
| Guarantees | 0 | 726 |
| **Total** | **1,990,430** | **1,718,093** |

### Operating lease commitments

| EUR 1,000 | 2025 | 2024 |
|---|---|---|
| Due within one year | 6,352 | 6,119 |
| Due after one year and within five years | 14,646 | 10,118 |
| **Total** | **20,998** | **16,237** |

## 16 Related party transactions

At the end of 2025, the Finnish State owned 51.26% of the company's shares (2024: 51.26%).

See also Note 38 Related party transactions in the Consolidated financial statements.

### Investments in group companies, associated companies and other holdings

| | | No. of shares, units | Holding % |
|---|---|---|---|
| **Investments in group companies** | | | |
| Fortum Heat and Gas Oy | Finland | 2,000,000 | 100.00 |
| Fortum Markets Oy | Finland | 24,039 | 100.00 |
| Fortum Power and Heat Oy | Finland | 91,197,543 | 100.00 |
| Fortum Real Estate Oy | Finland | 2,000,000 | 100.00 |
| Fortum TwoGether Oy | Finland | 100 | 100.00 |
| Fortum Holding B.V. | Netherlands | 1 | 100.00 |
| Fortum Energy Holding B.V. | Netherlands | 61,161 | 100.00 |
| Fortum Finance Ireland Designated Activity Company | Ireland | 992,557 | 100.00 |
| Fortum Power AB | Sweden | 100 | 100.00 |
| | | | |
| **Other holdings** | | | |
| AW-Energy Oy | Finland | 2,854,688 | 3.43 |
| Clic Innovation Oy | Finland | 100 | 3.40 |
| East Office of Finnish Industries Oy | Finland | 1 | 5.88 |
| Prototype Carbon Fund | USA | N/A | |

## 17 Events after the balance sheet date

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

# Other

# Signatures for the operating and financial review, sustainability statement and financial statements

The financial statements prepared in accordance with the applicable accounting regulations provide a true and fair view of the assets, liabilities, financial position, and profit or loss of both the company and the entities included in its consolidated financial statements.

The operating and financial review includes a description that provides a true and fair view of the development and results of the business activities of both the company and the entities included in its consolidated financial statements, as well as a description of the most significant risks and uncertainties and other aspects concerning the company.

The sustainability statement included in the operating and financial review has been prepared in accordance with the sustainability reporting standards referred to in Chapter 7 of the Accounting Act and Article 8 of the Taxonomy Regulation.

Espoo, 2 February 2026

| | | | | |
|---|---|---|---|---|
| Mikael Silvennoinen | Jonas Gustavsson | Ralf Christian | Luisa Delgado | Stefanie Kesting |
| Marita Niemelä | Teppo Paavola | Johan Söderström | Vesa-Pekka Takala | Markus Rauramo<br>President and CEO |

## The auditor's note

Our auditor's report has been issued today.

Espoo, 2 February 2026

Deloitte Oy
Audit Firm

Jukka Vattulainen
Authorised Public Accountant (KHT)

# Auditor’s report

(Translation of the Finnish original)

**To the Annual General Meeting of Fortum Oyj**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Fortum Oyj (business identity code 1463611-4) for the year ended 31 December, 2025. The financial statements comprise the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in total equity, consolidated cash flow statement and notes to the consolidated financial statements, including material accounting policies, as well as the parent company’s income statement, balance sheet, cash flow statement and notes to the financial statements.

In our opinion

- the consolidated financial statements give a true and fair view of the group’s financial position, financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.
- the financial statements give a true and fair view of the parent company’s financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

### Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 8 to the consolidated financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Valuation of property, plant and equipment and goodwill**<br><br>Refer to Notes 1, 2, 17, 18 and 20.<br><br>• The consolidated balance sheet includes property, plant and equipment and goodwill amounting to EUR 6,783 million (EUR 6,276 million).<br>• At the end of each reporting period management has to assess whether there is any indication that assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. Goodwill is subject to an annual impairment test.<br>• Impairment testing involves significant management estimates related to the estimated future operating cash flows including approved investment projects and the discount rates.<br>• The potential indicators for impairment are among other things changes in electricity and fuel prices, changes in the projected impacts of climate-change, changes in regulatory/political risks relating to energy taxes and price regulations, limitations to the lifetime of assets as well as climate-related transition risks and physical risks.<br>• The assumptions used in the valuation of the balances in question require substantial management judgment, and thus this is a key audit matter. | • We have evaluated the process of how management has assessed the indicators for potential impairment. We have performed audit procedures on impairment models.<br>• We have obtained entity's impairment testing documentation for goodwill and production assets and tested and evaluated the rationale of key assumptions applied by management on a sample basis, including commodity price forecasts, profit and cash flow forecasts, terminal values, foreign exchange rates and the selection of discount rates.<br>• We have compared, that the forecasts used in the impairment testing calculations are based on the forecasts including investment projects approved by management.<br>• We challenged management's assumptions and judgments with reference to historical data and, where applicable, external benchmarks.<br>• We assessed the models used in the impairment testing and carried out our testing for the sensitivity calculations.<br>• We have assessed management's assessment of climate change impact to Fortum's business and how this has been taken into account in determining the cashflows used in impairment testing.<br>• We assessed the adequacy of related disclosures in the financial statements. |
| **Shares in Nuclear Waste Funds and Nuclear provisions**<br><br>Refer to Notes 2 and 29.<br><br>• Fortum's consolidated balance sheet includes Nuclear related provisions amounting to EUR 1,153 million (EUR 1,117 million) and Fortum's share of the Nuclear Waste Management Fund amounting to EUR 1,153 million (EUR 1,117 million).<br>• Fortum's nuclear related provisions and the related part of the Nuclear Waste Management Fund are both presented separately in the balance sheet as disclosed in note 29.<br>• Fortum's share in the State Nuclear Waste Management Fund is accounted for according to IFRIC 5, Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds which states that the fund assets are measured at the lower of fair value or the value of the related liabilities since Fortum does not have control or joint control over the State Nuclear Waste Management Fund. The Nuclear Waste Management Fund is managed by governmental authorities. The related provisions are the provision for decommissioning and the provision for disposal of spent fuel.<br>• The provision for future obligations for nuclear waste management including decommissioning of Fortum's nuclear power plants and related spent fuel is based on long-term cash flow forecasts of estimated future costs. The main assumptions are technical plans, timing, cost estimates and discount rate. The technical plans, timing and cost estimates are approved by governmental authorities.<br>• The accounting treatment for nuclear decommissioning is complex and requires application of special accounting practice and management judgment when forming estimates for the basis of accounting such as technical plans, timing, cost estimates and discount rate and thus this is a key audit matter. | • We have assessed Fortum's accounting manual and principles for Nuclear Decommissioning Accounting, whether they are in line with IFRS accounting principles.<br>• We have assessed the assumptions and judgments made and adopted by management in the accounting for the nuclear waste provisions, and that the share in nuclear waste management fund is based on the confirmation submitted by authorities.<br>• We assessed the adequacy of related disclosures in the financial statements. |

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Fair value measurements of derivatives and hedge accounting**<br><br>Refer to Notes 4, 7, 15 and 16.<br><br>• Fortum's business is exposed to fluctuations in prices and availability of commodities used in the production, transmission and sales of energy products. The main exposure is toward electricity prices and volumes, prices of emissions, and price and availability of fuels. Fortum hedges its exposure to commodity market risks in order to improve the predictability of the future result by reducing volatility in earnings while ensuring cash flow risk is at an acceptable level.<br>• In Fortum's consolidated financial statements total derivative assets amounts to EUR 333 million (EUR 645 million) and total derivative liabilities amounts to EUR 431 million (EUR 554 million). The net effect of changes in fair values of derivatives hedging future cash flow amounts to EUR 47 million (EUR -61 million) in items affecting comparability in the consolidated income statement and the cash flow hedges in other equity components amount to EUR 2 million (EUR 127 million).<br>• Fair value measurement of derivatives and hedge accounting is a key audit matter because the fair value and changes in fair values of derivative financial instruments may have material impacts on Fortum´s financial statements. | • Our audit procedures included the assessment of Fortum's internal controls related to derivative transactions, hedging activities and the determination of fair values.<br>• We have assessed the appropriateness of the valuation models used by Fortum, including the assumptions used in the models. We have validated model input data with observable external information.<br>• We have conducted audit procedures regarding the existence and completeness of open derivative contracts.<br>• We have assessed the appropriateness of accounting application according to the requirements of IFRS 9.<br>• We have assessed the appropriate presentation of derivatives in the consolidated financial statements. |

We have no key audit matters to report with respect to our audit of the parent company financial statements. There are no significant risks of material misstatement referred to in EU regulation No 537/241, point (c) of Article 10(2) relating to the consolidated financial statements or the parent company's financial statements.

## Responsibilities of the Board of Directors and the President and CEO for the Financial Statements

The Board of Directors and the President and CEO are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the President and CEO are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the President and CEO are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

## Auditor's responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Other Reporting Requirements

## Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 16.3.2006, and our appointment represents a total period of uninterrupted engagement of 20 years.

## Other Information

The Board of Directors and the President and CEO are responsible for the other information The other information comprises the Operating and Financial Review and the information included in the Financials but does not include the financial statements and our auditor's report thereon. We have obtained the Operating and Financial Review prior to the date of this auditor's report, and the Financials is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the Operating and Financial Review, our responsibility also includes considering whether the Operating and Financial has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the Operating and Financial Review is consistent with the information in the financial statements and the Operating and Financial Review has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Other statements based on the law

Our responsibility is to, based on our audit, express an opinion on the registration and publication of the income tax report required in Chapter 7 b of the Accounting Act.

The Board of Directors and the President and CEO are responsible for the registration and the publication of the income tax report.

In our opinion, the company has not been obliged to register and publish an income tax report referred to in Chapter 7 b of the Accounting Act for the financial year immediately preceding the financial year.

## Other Opinions

We support that the financial statements should be adopted. The proposal by the Board of Directors regarding the treatment of distributable funds is in compliance with the Limited Liability Companies Act. We support that the Board of Directors of the parent company and the President and CEO should be discharged from liability for the financial period audited by us.

Espoo, 2 February 2026

**Deloitte Oy**
Audit Firm

Jukka Vattulainen
Authorised Public Accountant (KHT)

# Auditor’s assurance report of ESEF financial statements

(Translation of the Finnish Original)

## Independent auditor’s report on the ESEF financial statements of Fortum Oyj

### To the Board of Directors of Fortum Oyj

We have performed a reasonable assurance engagement on the consolidated financial statements (635400IUIZZIUJSAMF76-2025-12-31-fi.zip) of Fortum Oyj (1463611-4) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year ended 31.12.2025.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the President and CEO are responsible for the preparation of the company’s Operating and Financial Review and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard
- tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
- ensuring the consistency between ESEF financial statements and the audited financial statements.

The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance with the requirements of the Commission's regulatory technical standard.

### Auditor’s Independence and Quality Management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The auditor applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### Auditor’s Responsibilities

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's regulatory technical standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

- whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature timing and extent of the selected procedures depend on the auditor’s judgment. This includes an assessment of the risk of a material deviation due to fraud or error from the requirements of the Commission's regulatory technical standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of Fortum Oyj (635400IUIZZIUJSAMF76-2025-12-31-fi.zip) for the financial year ended 31.12.2025 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our audit opinion on the audit of the consolidated financial statements of Fortum Oyj for the financial year ended 31.12.2025 has been expressed in our auditor’s report dated 2.2.2026. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Espoo, 2 February 2022

**Deloitte Oy**
Audit Firm

Jukka Vattulainen
Authorised Public Accountant (KHT)

# Auditor’s limited assurance report of the sustainability statement

## Assurance report on the sustainability statement

(Translation of the Finnish original)

### To the Annual General Meeting of Fortum Oyj

We have performed a limited assurance engagement on the group sustainability statement of Fortum Oyj (business identity code 1463611-4) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the reporting period 1.1.–31.12.2025..

### Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

- the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS), and
- the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Fortum Oyj has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment).

Our opinion does not cover the tagging of the group sustainability statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that provision due to the absence of the ESEF regulation or other European Union legislation on tagging the group sustainability statement.

### Basis for Opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Our responsibilities under this standard are further described in the Responsibilities of the Authorized Group Sustainability Auditor section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Authorized group sustainability auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorized group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorized sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Fortum Oyj are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified,
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, and
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

## Inherent Limitations in the Preparation of a Group Sustainability Statement

In preparing the group sustainability statement, the company is required to conduct a materiality assessment to identify relevant matters to be reported. This process involves significant management judgement and choices. Due to the nature and characteristics of sustainability reporting, this type of information involves estimates and assumptions, as well as measurement and evaluation uncertainties.

In reporting forward-looking information according to ESRS standards, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future, possible future actions by the company/Group, and prepare the forward-looking information based on these assumptions. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

The determination of greenhouse gas emissions involves inherent uncertainty due to incomplete scientific knowledge used to define the numerical values for emission factors and the combination of emissions from different gases.

## Responsibilities of the Authorized Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

**Our procedures included for ex. the following:**

- Performed inquiries of the company's management and personnel responsible for collecting and reporting the information contained in the sustainability statement at the group level and for subsidiaries, as well as at the different levels and business areas of the organization.
- Obtained an understanding of the company's sustainability reporting process, internal controls, and information systems related to the sustainability reporting process through inquiries.
- Reviewed the company's internal guidelines and policies relevant to the information presented in the group sustainability statement.
- Reviewed the supporting documentation and records prepared by the company, where applicable, and assessed whether they support the information included in the group sustainability statement.
- With respect to the double materiality assessment process, we evaluated the implementation of the process conducted by the company in relation to the requirements of the ESRS standards and assessed whether the disclosed information on the double materiality assessment is in accordance with the ESRS standards.
- Evaluated whether the group sustainability statement meets the requirements of the ESRS standards, in all material aspects, regarding material sustainability matters to a significant extent.
- With respect to the EU taxonomy information, we obtained an understanding of the process by which the company has identified taxonomy-eligible and taxonomy-aligned economic activities and assessed the compliance of the related disclosed information with the regulations.

Espoo, February 2, 2026

**Deloitte Oy**
Authorised Sustainability Audit Firm

Jukka Vattulainen
Authorised Sustainability Auditor

# Key figures 2016–2025

## Financial key figures

### Comparability of information presented in tables

Fortum adopted IFRS 16 on 1 January 2019, and IFRS 9 and IFRS 15 on 1 January 2018. Fortum applied the transition relief for not restating the comparatives of 2018 and 2017, respectively.

Fortum consolidated Uniper into its balance sheet as of 31 March 2020 and, from 1 April 2020, consolidated Uniper's results into its income statement. In 2019 and in the first quarter of 2020, Uniper was consolidated as an associated company into Fortum's income statement.

Following the consolidation of Uniper, Fortum's business profile changed and the previous long-term financial targets did not appropriately reflect the Group's new business profile. In May 2020, Fortum's Board of Directors consequently decided to remove the financial targets (return on capital employed of at least 10% and comparable net debt-to-EBITDA of around 2.5x) as of the first quarter of 2020. In December 2020 in connection with the strategy update, Fortum updated its long-term financial target to be Financial net debt/comparable EBITDA below 2x.

In 2021, Fortum introduced two new Alternative Performance Measures (APM) to provide additional financial performance indicators to support meaningful comparison of underlying net profitability between periods: Comparable net profit, and Comparable earnings per share. Comparable net profit is shown after non-controlling interest and adjusted for items affecting comparability, as well as adjustments to share of profit of associates and joint ventures, net finance costs, income tax expenses, and non-controlling interest. Comparable earnings per share is calculated from comparable net profit. For more information, see Reconciliations of alternative performance measures, Definitions of key figures and Note 7 Comparable operating profit and comparable net profit.

Fortum lost control of Uniper on the signing of the agreement in principle to sell the shares in Uniper SE to the German State on 21 September 2022. Thus, Uniper was deconsolidated at 30 September 2022. Uniper has been a separate reportable segment in Fortum's consolidated financial statements, which results in Uniper being classified as discontinued operations. Fortum's consolidated income statement and consolidated cash flow statement were modified in 2022 to include Uniper segment as discontinued operations. As required by IFRS Accounting Standards, comparatives for 2021 were restated. Consolidated balance sheet at 31 December 2021 included Uniper.

Fortum was pursuing a controlled exit from the Russian market with potential divestments of its Russian operations as the preferred path, and in 2022 Fortum introduced new APMs to provide additional financial information excluding Fortum's Russian operations. As a result of the Presidential decree (No. 302) issued by Russia on 25 April 2023 and the seizure of Fortum's Russian assets, the company lost control of its Russian operations. Consequently, the Russia segment was deconsolidated and reclassified as discontinued operations in 2023. Comparative information for 2022 was restated following the reclassification of the Russia segment as discontinued operations. Following the deconsolidation of Russia in 2023, additional APMs excluding Russia are no longer presented.

In November 2025, Fortum updated its long-term financial targets, strategic targets and strategic KPIs. Comparable RONA (return on net assets) of 14% was added as a long-term target for the Group. Financial net debt-to-Comparable EBITDA can be a maximum of 2.5 times. For more information, see Note 5 Capital risk management.

For information of Alternative Performance Measures used by Fortum, see Reconciliations of alternative performance measures, Definitions of key figures and Note 1 Material accounting policies.

| EUR million or as indicated | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Income statement, continuing operations** | | | | | | | | | | |
| **Reported** | | | | | | | | | | |
| Sales | 3,632 | 4,520 | 5,242 | 5,447 | 49,015 | 6,422 | 7,774 | 6,711 | 5,800 | 4,989 |
| EBITDA | 1,006 | 1,623 | 1,674 | 1,693 | 2,688 | 4,913 | 2,381 | 2,021 | 1,704 | 1,254 |
| Operating profit | 633 | 1,158 | 1,138 | 1,118 | 1,599 | 4,325 | 1,967 | 1,662 | 1,325 | 939 |
| - of sales % | 17.4 | 25.6 | 21.7 | 20.5 | 3.3 | 67.4 | 25.3 | 24.8 | 22.8 | 18.8 |
| Share of profit of associates and joint ventures | 131 | 148 | 38 | 744 | 656 | 168 | -185 | 59 | 19 | 56 |
| Profit before income tax | 595 | 1,111 | 1,040 | 1,728 | 2,199 | 4,332 | 1,564 | 1,583 | 1,399 | 936 |
| - of sales % | 16.4 | 24.6 | 19.8 | 31.7 | 4.5 | 67.5 | 20.1 | 23.6 | 24.1 | 18.8 |
| Net profit | 504 | 882 | 858 | 1,507 | 1,855 | 4,008 | 2,084 | 1,515 | 1,160 | 763 |
| Net profit (after non-controlling interests) | 496 | 866 | 843 | 1,482 | 1,823 | 3,985 | 2,080 | 1,514 | 1,164 | 765 |
| **Comparable** | | | | | | | | | | |
| EBITDA | 1,015 | 1,275 | 1,523 | 1,766 | 2,434 | 2,016 | 2,025 | 1,903 | 1,556 | 1,240 |
| Operating profit | 644 | 811 | 987 | 1,191 | 1,344 | 1,429 | 1,611 | 1,544 | 1,178 | 924 |
| Share of profit of associates and joint ventures | | | | | 656 | 104 | -40 | 7 | -30 | 28 |
| Net profit (after non-controlling interests) | | | | | 1,483 | 1,091 | 1,076 | 1,150 | 900 | 739 |
| **Income statement, continuing operations excl. Russia** | | | | | | | | | | |
| **Comparable** | | | | | | | | | | |
| EBITDA | | | | | | 1,612 | 2,025 | N/A | N/A | N/A |
| Operating profit | | | | | | 1,167 | 1,611 | N/A | N/A | N/A |
| Net profit for the year attributable to owners of the parent | | | | | | 851 | 1,076 | N/A | N/A | N/A |
| **Income statement, total of continuing and discontinued operations** | | | | | | | | | | |
| **Reported** | | | | | | | | | | |
| Net profit (after non-controlling interests) | 496 | 866 | 843 | 1,482 | 1,823 | 739 | -2,416 | -2,069 | 1,164 | 765 |
| **Comparable** | | | | | | | | | | |
| Net profit (after non-controlling interests) | | | | | 1,483 | 1,778 | -988 | 1,184 | 900 | 739 |

| EUR million or as indicated | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Financial position and cash flow** | | | | | | | | | | |
| Comparable net assets, continuing operations | | | | | | | | 8,941 | 8,554 | 9,150 |
| Capital employed | 18,649 | 18,172 | 18,170 | 19,929 | 26,239 | 30,885 | 15,522 | 14,408 | 13,981 | 13,366 |
| Financial net debt | | | | 4,833 | 7,023 | 789 | 1,084 | 942 | 367 | 1,479 |
| Financial net debt excl. Russia | | | | | | | 1,127 | N/A | N/A | N/A |
| Adjusted net debt | | | | 4,978 | 9,784 | 3,227 | 1,117 | N/A | N/A | N/A |
| Interest-bearing net debt | -48 | 988 | 5,509 | 5,260 | N/A | N/A | N/A | N/A | N/A | N/A |
| Capital expenditure and gross investments in shares, continuing operations | 1,435 | 1,815 | 4,672 | 819 | 4,953 | 724 | 496 | 664 | 516 | 617 |
| *- of sales %* | 39.5 | 40.2 | 89.1 | 15.0 | 10.1 | 11.3 | 6.4 | 9.9 | 8.9 | 12.4 |
| Capital expenditure, continuing operations | 591 | 690 | 584 | 713 | 1,146 | 443 | 467 | 611 | 483 | 500 |
| Net cash from operating activities, total Fortum | 621 | 993 | 804 | 1,575 | 2,555 | 4,970 | -8,767 | 1,819 | 1,392 | 840 |
| Net cash from operating activities, continuing operations | | | | | | 1,119 | 1,717 | 1,710 | 1,392 | 840 |
| | | | | | | | | | | |
| **Key ratios, total of continuing and discontinued operations, or as indicated** | | | | | | | | | | |
| Comparable return on net assets (RONA), continuing operations, % | | | | | | | | 18.0 | 13.0 | 10.9 |
| Return on capital employed, % | 4.0 | 7.1 | 6.7 | 10.0 | N/A | N/A | N/A | N/A | N/A | N/A |
| Return on shareholders' equity, % | 3.7 | 6.6 | 6.8 | 11.9 | 12.9 | -0.8 | -96.2 | -25.5 | 13.1 | 8.6 |
| Interest coverage | 4.6 | 8.7 | 10.0 | 8.0 | 27.3 | -12.7 | -75.5 | -16.8 | -169.3 | 20.3 |
| Interest coverage including capitalised borrowing costs | 4.1 | 7.8 | 9.2 | 7.5 | 18.6 | -9.4 | -72.2 | -19.7 | -75.5 | 26.2 |
| Funds from operations/interest-bearing net debt, % | -1,503.4 | 83.9 | 26.8 | 32.2 | N/A | N/A | N/A | N/A | N/A | N/A |
| Gearing, % | 0 | 7 | 46 | 40 | 45 | 6 | 14 | 11 | 4 | 17 |
| Financial net debt/comparable EBITDA, total Fortum | | | | | 2.9 | 0.2 | 0.4 | N/A | N/A | N/A |
| Financial net debt/comparable EBITDA, continuing operations excl. Russia | | | | | | N/A | 0.6 | 0.5 | N/A | N/A |
| Financial net debt/comparable EBITDA, continuing operations | | | | | | N/A | 0.6 | 0.5 | 0.2 | 1.2 |
| Comparable net debt/EBITDA | — | 0.8 | 3.6 | 3.0 | N/A | N/A | N/A | N/A | N/A | N/A |
| Equity-to-assets ratio, % | 62 | 61 | 54 | 57 | 27 | 9 | 33 | 45 | 53 | 52 |
| | | | | | | | | | | |
| **Other data** | | | | | | | | | | |
| Dividends | 977 | 977 | 977 | 977 | 995 | 1,013 | 817 | 1,032 | 1,256 | 664 [1)] |
| Research and development expenditure | 52 | 53 | 56 | 67 | 56 | 54 | 55 | 56 | 31 | 36 |
| *- of sales %* | 1.4 | 1.2 | 1.1 | 1.1 | 0.1 | 0.8 | 0.7 | 0.8 | 0.5 | 0.7 |
| Average number of employees, total Fortum | 7,994 | 8,507 | 8,767 | 8,248 | 17,304 | 19,796 | 16,549 | 6,042 | 5,301 | 4,547 |
| Average number of employees, continuing operations | | | | | | 8,045 | 5,120 | 5,205 | 5,301 | 4,547 |

1) Board of Directors' proposal for the planned Annual General Meeting on 31 March 2026.

See Reconciliations of alternative performance measures and Definitions of key figures.

# Share key figures

| EUR or as indicated | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Data per share** | | | | | | | | | | |
| Earnings per share, total Fortum | 0.56 | 0.98 | 0.95 | 1.67 | 2.05 | 0.83 | -2.72 | -2.31 | 1.30 | 0.85 |
| Earnings per share, continuing operations | | | | | | 4.49 | 2.34 | 1.68 | 1.30 | 0.85 |
| Earnings per share, discontinued operations | | | | | | -3.65 | -5.07 | -3.99 | — | — |
| Comparable earnings per share, total Fortum | | | | | 1.67 | 2.00 | -1.11 | 1.32 | 1.00 | 0.82 |
| Comparable earnings per share, continuing operations | | | | | | 1.23 | 1.21 | 1.28 | 1.00 | 0.82 |
| Comparable earnings per share, discontinued operations | | | | | | 0.77 | -2.32 | 0.04 | — | — |
| Comparable earnings per share, continuing operations excl. Russia | | | | | | 0.96 | 1.21 | N/A | N/A | N/A |
| Cash flow per share, total Fortum | 0.70 | 1.12 | 0.91 | 2.27 | 2.88 | 5.60 | -9.86 | 2.03 | 1.55 | 0.94 |
| Cash flow per share, continuing operations | | | | | | 1.26 | 1.93 | 1.91 | 1.55 | 0.94 |
| Cash flow per share, discontinued operations | | | | | | 4.34 | -11.79 | 0.12 | — | — |
| Equity per share | 15.15 | 14.69 | 13.33 | 14.61 | 14.58 | 13.66 | 8.55 | 9.40 | 10.11 | 9.52 |
| Dividend per share | 1.10 | 1.10 | 1.10 | 1.10 | 1.12 | 1.14 | 0.91 | 1.15 | 0.90 | 0.74 [1] |
| Special dividend per share | | | | | | | — | — | 0.50 | — [1] |
| Total dividend per share | 1.10 | 1.10 | 1.10 | 1.10 | 1.12 | 1.14 | 0.91 | 1.15 | 1.40 | 0.74 [1] |
| Payout ratio, % [2] | 196 | 112 | 116 | 66 | 55 | 137 | 75 | 90 | 90 | 90 [1] |
| Total payout ratio, % [2] | 196 | 112 | 116 | 66 | 55 | 137 | 75 | 90 | 140 | 90 [1] |
| Dividend yield, % | 7.5 | 6.7 | 5.8 | 5.0 | 5.7 | 4.2 | 5.9 | 8.8 | 10.4 | 4.1 [1] |
| Price/earnings ratio (P/E) [3] | 26.1 | 16.8 | 20.1 | 13.2 | 9.6 | 32.5 | 6.6 | 7.8 | 10.4 | 21.4 |
| | | | | | | | | | | |
| **Share prices** | | | | | | | | | | |
| At the end of the period | 14.57 | 16.50 | 19.10 | 22.00 | 19.70 | 26.99 | 15.54 | 13.06 | 13.52 | 18.18 |
| Average | 13.56 | 15.28 | 19.10 | 20.06 | 17.20 | 23.65 | 15.18 | 12.94 | 13.14 | 15.67 |
| Lowest | 10.99 | 12.69 | 16.43 | 18.09 | 12.25 | 19.72 | 8.86 | 10.25 | 10.83 | 12.25 |
| Highest | 15.74 | 18.94 | 22.91 | 22.50 | 23.46 | 27.96 | 27.18 | 16.18 | 15.01 | 20.38 |
| | | | | | | | | | | |
| **Other data** | | | | | | | | | | |
| Market capitalisation at the end of the period, EUR million | 12,944 | 14,658 | 16,966 | 19,542 | 17,499 | 23,975 | 13,943 | 11,718 | 12,127 | 16,312 |
| Trading volumes [4] | | | | | | | | | | |
| Number of shares, 1,000 shares | 611,572 | 582,873 | 474,705 | 372,272 | 647,869 | 351,450 | 560,775 | 412,322 | 433,363 | 357,342 |
| In relation to weighted average number of shares, % | 68.8 | 65.6 | 53.4 | 41.9 | 72.9 | 39.6 | 63.1 | 46.0 | 48.3 | 39.8 |
| Average number of shares, 1,000 shares | 888,367 | 888,367 | 888,312 | 888,294 | 888,294 | 888,294 | 889,204 | 897,264 | 897,264 | 897,264 |
| Diluted adjusted average number of shares, 1,000 shares | 888,367 | 888,367 | 888,312 | 888,294 | 888,294 | 888,294 | 889,204 | 897,264 | 897,264 | 897,264 |
| Number of registered shares, 1,000 shares | 888,367 | 888,367 | 888,294 | 888,294 | 888,294 | 888,294 | 897,264 | 897,264 | 897,264 | 897,264 |

1) Board of Directors' proposal for the planned Annual General Meeting on 31 March 2026.
2) Payout ratio is calculated based on comparable earnings per share from 2022 onwards. Payout ratio for 2023 and 2022 is calculated based on comparable earnings per share from continuing operations.
3) Price/earnings ratio for 2023 and 2022 is calculated based on earnings per share from continuing operations.
4) Trading volumes in the table represent volumes traded on Nasdaq Helsinki. In addition to the Nasdaq Helsinki, Fortum shares were traded on several alternative market places, for example at Cboe and Turquoise, and on the OTC market. In 2025, approximately 68% (2024: 69%) of Fortum's shares were traded on markets other than the Nasdaq Helsinki Ltd.

See Reconciliations of alternative performance measures and Definitions of key figures.

# Sustainability key figures

Sustainability key figures are presented from 2022 onwards. Figures for 2022 and 2023 have not been assured.

| | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Total market-based GHG emissions, Scope 1-3, million tonnes (Mt) $CO_2$-eq | 11.8 | 14.1 | 12.9 | 12.1 |
| Direct Scope 1 GHG emissions, Mt $CO_2$-eq | 2.2 | 1.6 | 1.4 | 0.8 |
| Indirect market-based Scope 2 GHG emissions, Mt $CO_2$-eq | 0.03 | 0.04 | 0.02 | 0.13 |
| Indirect GHG emissions, Scope 3, Mt $CO_2$-eq | 9.5 | 12.5 | 11.5 | 11.2 |
| Specific $CO_2$ emissions from total energy production, $gCO_2$/kWh | 45 | 31 | 26 | 16 |
| Specific $CO_2$ emissions from total power generation, $gCO_2$/kWh | 25 | 16 | 11 | 8 |
| Nitrogen oxides ($NO_x$) emissions, tonnes [1] | 2,125 | 1,547 | 1,378 | 1,302 |
| Sulphur dioxide ($SO_2$) emissions, tonnes [1] | 1,010 | 849 | 617 | 242 |
| Major environmental incidents, no. | 2 | 2 | 1 | 0 |
| Share of power generation from renewable and nuclear sources, % [2] | 97 | 98 | 99 | 99 |
| Fortum's coal-based capacity, GW | 1.4 | 1.3 | 1.0 | 1.0 |
| Share of coal of sales, % | 4 | 3 | 3 | 2 |
| Share of fossil fuels of sales, % | — | 11 | 12 | 13 |
| Total Recordable Injury Frequency (TRIF), own personnel and contractors, injuries per million working hours | 4.0 | 5.0 | 4.0 | 2.4 |
| Severe and fatal injuries, own personnel and contractors, no. | 2 | 0 | 2 | 1 |
| Execution rate for Safety improvement plans, % | — | 78 | 90 | 90 |
| Supplier qualification rate, % | 87 | 81 | 81 | 88 |
| Employee engagement score, industry benchmark for 'Energy and Utilities' sector | — | — | 7.5 | 7.7 |
| Confirmed incidents of corruption and bribery, no. | — | 1 | 0 | 0 |

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 $CO_2$-eq.
2) Year 2023 figure has been recalculated to align with changes in the calculation process, which decreased annual specific $CO_2$ emissions for energy production and power generation by 1 $gCO_2$/kWh.
3) In 2023 and onwards, figures exclude the recycling and waste business divested in November 2024.

## EU Taxonomy KPIs

| Turnover KPI, % | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | 33 | 43 | 49 | 47 |
| A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) | 3 | 7 | 1 | 1 |
| **A. Total Taxonomy-eligible activities** | **36** | **50** | **50** | **47** |

| Operating expenses KPI, % | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | 58 | 56 | 75 | 79 |
| A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) | 5 | 21 | 4 | 3 |
| **A. Total Taxonomy-eligible activities** | **63** | **77** | **79** | **82** |

| Capital expenditure KPI, % | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | 51 | 64 | 74 | 61 |
| A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) | 18 | 12 | 2 | 14 |
| **A. Total Taxonomy-eligible activities** | **68** | **76** | **76** | **75** |

# Segment key figures

Fortum reorganised its operating structure as of 1 April 2016. The business divisions are: Generation (mainly the former Power and Technology); City Solutions (mainly the former Heat, Electricity Sales and Solutions) and Russia.

As of 1 March 2017, the City Solutions division was divided into two divisions: City Solutions and Consumer Solutions, both reported as separate reporting segments. Fortum has restated its 2016 comparison segment reporting figures in accordance with the new organisation structure.

In November 2018, Fortum announced that the solar and wind businesses were reorganised and the wind operations became a business area within the Generation segment and the solar operations within the City Solutions segment. Previously these were included in Other Operations. The Russian wind and solar operations continue as a part of the Russia segment. Fortum has restated its 2018 comparative segment reporting figures in accordance with the new organisation structure.

In 2019, Fortum classified certain assets as held for sale. These assets and the related liabilities are included in segment assets and liabilities at 31 December 2019.

Following the consolidation of Uniper as a subsidiary on 31 March 2020, Fortum revised its reportable segments and reports Uniper as a separate segment. Until 31 March 2020 Fortum's share of Uniper's associated company results is presented in Other operations.

Fortum lost control of Uniper on the signing of the agreement in principle to sell the shares in Uniper SE to the German State on 21 September 2022. Thus, Uniper was deconsolidated at 30 September 2022. Uniper has been a separate reportable segment in Fortum's consolidated financial statements, which results in Uniper being classified as discontinued operations. Fortum's consolidated income statement and consolidated cash flow statement were modified in 2022 to include Uniper segment as discontinued operations. As required by IFRS Accounting Standards, comparatives for 2021 were restated. Consolidated balance sheet at 31 December 2021 included Uniper.

In March 2023, Fortum announced the reorganisation of its business structure. From 2023, the new business units are: Hydro Generation, Nuclear Generation, Renewables and Decarbonisation, Corporate Customers and Markets, Consumer Solutions and Circular Solutions. The business units are classified into the following reportable segments under IFRS Accounting Standards:

- The Generation segment includes the Hydro Generation, Nuclear Generation, Corporate Customers and Markets, and Renewables and Decarbonisation business units.
- The Consumer Solutions segment includes the Consumer Solutions business unit.
- The Other Operations segment includes the Innovation and Venturing activities, enabling functions and corporate management as well as the Circular Solutions business unit including the battery recycling business and the recycling and waste business that was divested in 2024.

Fortum was pursuing a controlled exit from the Russian market with potential divestments of its Russian operations as the preferred path, and in 2022 Fortum introduced new APMs to provide additional financial information excluding Fortum's Russian operations. As a result of the Presidential decree (No. 302) issued by Russia on 25 April 2023 and the seizure of Fortum's Russian assets, the company lost control of its Russian operations. Consequently, the Russia segment was deconsolidated and reclassified as discontinued operations in 2023. Comparative information for 2022 was restated following the reclassification of the Russia segment as discontinued operations.

See more information in Note 6 Revenue and reportable segments.

## Sales by segment

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 1,657 | 1,677 | 1,842 | 2,141 | 2,006 | 2,869 | 4,465 | 4,420 | 3,795 | 3,245 |
| - of which internal | 15 | 15 | -2 | 259 | 421 | 140 | -585 | 394 | 307 | 170 |
| Consumer Solutions | 668 | 1,097 | 1,759 | 1,835 | 1,267 | 2,622 | 4,578 | 3,766 | 3,073 | 3,029 |
| - of which internal | 2 | 3 | 11 | -3 | 2 | 14 | 30 | 20 | 5 | 8 |
| Other Operations | 92 | 102 | 103 | 115 | 140 | 138 | 589 | 548 | 596 | 187 |
| - of which internal | 61 | 67 | 79 | 86 | 110 | 102 | 101 | 99 | 157 | 158 |
| City Solutions | 782 | 1,015 | 1,110 | 1,200 | 1,075 | 1,302 | | | | |
| - of which internal | 1 | 19 | 37 | 45 | 64 | 29 | | | | |
| Russia | 896 | 1,101 | 1,069 | 1,071 | 929 | | | | | |
| - of which internal | 0 | 0 | 0 | 0 | 2 | | | | | |
| Uniper | | | | | 44,514 | | | | | |
| - of which internal | | | | | 0 | | | | | |
| Eliminations and Netting of Nord Pool transactions | -463 | -470 | -641 | -916 | -916 | -1,413 | -1,858 | -2,024 | -1,664 | -1,472 |
| **Total continuing operations excl. Russia** | | | | | | **5,519** | | | | |
| Russia | | | | | | 906 | | | | |
| Eliminations | | | | | | -2 | | | | |
| **Total continuing operations** | **3,632** | **4,520** | **5,242** | **5,447** | **49,015** | **6,422** | **7,774** | **6,711** | **5,800** | **4,989** |
| Discontinued operations | | | | | | 106,127 | 129,126 | 287 | | |

## Comparable operating profit by segment

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 417 | 478 | 628 | 794 | 722 | 1,123 | 1,629 | 1,679 | 1,218 | 893 |
| Consumer Solutions | 48 | 41 | 53 | 79 | 90 | 52 | 97 | 38 | 76 | 122 |
| Other Operations | -77 | -102 | -99 | -118 | -129 | -142 | -116 | -173 | -116 | -91 |
| City Solutions | 64 | 98 | 135 | 120 | 47 | 135 | | | | |
| Russia | 191 | 296 | 271 | 316 | 251 | | | | | |
| Uniper | | | | | 363 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **1,167** | | | | |
| Russia | | | | | | 261 | | | | |
| **Comparable operating profit, continuing operations** | **644** | **811** | **987** | **1,191** | **1,344** | **1,429** | **1,611** | **1,544** | **1,178** | **924** |
| Impairment charges and reversals | 27 | 6 | -4 | -8 | 2 | -35 | 0 | 0 | -17 | -25 |
| Capital gains and other related items | 38 | 326 | 102 | 7 | 765 | 2,673 | 785 | 4 | 183 | -4 |
| Impact from acquisition accounting | | | | | -222 | | | | | |
| Changes in fair values of derivatives hedging future cash flow | -65 | 14 | 98 | -72 | -675 | 264 | -376 | 111 | -61 | 47 |
| Nuclear fund adjustment [1] | -11 | 1 | -45 | | | | | | | |
| Other | | | | | 386 | -6 | -52 | 3 | 43 | -3 |
| Other items affecting comparability [2] | | | | | | | | | | |
| **Operating profit, continuing operations** | **633** | **1,158** | **1,138** | **1,118** | **1,599** | **4,325** | **1,967** | **1,662** | **1,325** | **939** |
| Discontinued operations | | | | | | -4,913 | -17,091 | -3,521 | | |

1) In 2020, Nuclear fund adjustment was reclassified from Items affecting comparability to Other financial items - net. Comparatives for 2019 have been reclassified accordingly.
2) Other items affecting comparability comprise Changes in fair values of derivatives hedging future cash flow and Nuclear fund adjustment.

## Comparable EBITDA by segment

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 527 | 603 | 763 | 939 | 886 | 1,287 | 1,876 | 1,874 | 1,421 | 1,098 |
| Consumer Solutions | 55 | 57 | 110 | 141 | 153 | 123 | 173 | 108 | 161 | 213 |
| Other Operations | -64 | -83 | -78 | -91 | -94 | -114 | -23 | -80 | -26 | -71 |
| City Solutions | 186 | 262 | 310 | 308 | 239 | 317 | | | | |
| Russia | 312 | 438 | 417 | 469 | 394 | | | | | |
| Uniper | | | | | 856 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **1,612** | | | | |
| Russia | | | | | | 404 | | | | |
| **Total continuing operations** | **1,015** | **1,275** | **1,523** | **1,766** | **2,434** | **2,016** | **2,025** | **1,903** | **1,556** | **1,240** |

## Depreciation and amortisation

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 110 | 125 | 135 | 145 | 164 | 164 | 247 | 195 | 204 | 204 |
| Consumer Solutions | 7 | 16 | 57 | 62 | 63 | 71 | 75 | 70 | 85 | 92 |
| Other Operations | 13 | 18 | 22 | 28 | 35 | 28 | 92 | 93 | 90 | 19 |
| City Solutions | 121 | 163 | 175 | 188 | 191 | 182 | | | | |
| Russia | 123 | 142 | 147 | 153 | 143 | | | | | |
| Uniper | | | | | 494 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **445** | | | | |
| Russia | | | | | | 142 | | | | |
| **Total continuing operations** | **373** | **464** | **536** | **575** | **1,090** | **587** | **415** | **359** | **379** | **315** |
| Discontinued operations | | | | | | 694 | 724 | 23 | | |

## Comparable share of profit of associates and joint ventures by segment

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | | | | | 13 | 0 | -34 | 7 | -26 | 28 |
| Other Operations | | | | | 502 | 0 | -7 | 0 | -3 | 0 |
| City Solutions | | | | | 57 | 42 | | | | |
| Russia | | | | | 47 | | | | | |
| Uniper | | | | | 38 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **42** | | | | |
| Russia | | | | | | 62 | | | | |
| **Total continuing operations** | | | | | **656** | **104** | **-40** | **7** | **-30** | **28** |

Comparable share of profit/loss of associates and joint ventures for 2020 has been recalculated following the introduction of comparable net profit APM in 2021.

## Share of profit of associates and joint ventures by segment

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | -34 | -1 | -72 | 10 | 29 | 64 | -178 | 59 | 22 | 56 |
| Other Operations | 51 | 38 | 0 | 638 | 470 | 0 | -7 | 0 | -3 | 0 |
| City Solutions | 76 | 80 | 74 | 37 | 57 | 42 | | | | |
| Russia | 38 | 31 | 36 | 59 | 47 | | | | | |
| Uniper | | | | | 54 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **106** | | | | |
| Russia | | | | | | 62 | | | | |
| **Total continuing operations** | **131** | **148** | **38** | **744** | **656** | **168** | **-185** | **59** | **19** | **56** |
| Discontinued operations | | | | | | 23 | -372 | 26 | | |

## Capital expenditure by segment

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 196 | 174 | 248 | 247 | 158 | 168 | 314 | 450 | 355 | 438 |
| Consumer Solutions | 3 | 7 | 47 | 55 | 57 | 68 | 71 | 81 | 71 | 58 |
| Other Operations | 83 | 187 | 26 | 30 | 34 | 15 | 85 | 81 | 57 | 4 |
| City Solutions | 109 | 170 | 209 | 314 | 219 | 161 | | | | |
| Russia | 201 | 152 | 54 | 67 | 43 | | | | | |
| Uniper | | | | | 635 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **396** | | | | |
| Russia | | | | | | 47 | | | | |
| **Total continuing operations** | **591** | **690** | **584** | **713** | **1,146** | **443** | **467** | **611** | **483** | **500** |

## Gross investments in shares by segment

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 7 | 90 | 14 | 13 | 70 | 7 | 2 | 5 | 0 | 62 |
| Consumer Solutions | 117 | 486 | 0 | 0 | 0 | 0 | 0 | 22 | 0 | 20 |
| Other Operations | 22 | 39 | 3,977 | 18 | 3,572 | 237 | 26 | 26 | 33 | 35 |
| City Solutions | 698 | 386 | 33 | 9 | 114 | 2 | | | | |
| Russia | 0 | 125 | 63 | 66 | 48 | | | | | |
| Uniper | | | | | 3 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **245** | | | | |
| Russia | | | | | | 36 | | | | |
| **Total continuing operations** | **844** | **1,125** | **4,088** | **106** | **3,807** | **281** | **29** | **53** | **33** | **117** |

## Gross divestments of shares by segment

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 0 | 0 | 160 | 12 | 171 | 129 | 1,212 | 0 | 34 | -2 |
| Consumer Solutions | 1 | 55 | 0 | 0 | 10 | 0 | 0 | 0 | 0 | 0 |
| Other Operations | 0 | 687 | 0 | 16 | 81 | 19 | 152 | 4 | 751 | -1 |
| City Solutions | 33 | 0 | 147 | 2 | 895 | 3,870 | | | | |
| Russia | 127 | 0 | 0 | 0 | 0 | | | | | |
| Uniper | | | | | 69 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **4,017** | | | | |
| Russia | | | | | | 18 | | | | |
| **Total continuing operations** | **161** | **742** | **306** | **30** | **1,226** | **4,034** | **1,365** | **4** | **785** | **-3** |

## Comparable net assets by segment

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 5,815 | 5,672 | 6,485 | 6,019 | 6,234 | 5,961 | 6,597 | 7,263 | 7,608 | 8,135 |
| Consumer Solutions | 154 | 638 | 648 | 637 | 565 | 1,125 | 1,365 | 838 | 725 | 718 |
| Other Operations | 514 | 276 | 4,023 | 4,400 | 136 | 125 | 775 | 840 | 222 | 297 |
| City Solutions | 2,873 | 3,728 | 3,794 | 3,945 | 3,679 | 2,456 | | | | |
| Russia | 3,284 | 3,161 | 2,789 | 3,212 | 2,431 | | | | | |
| Uniper | | | | | 7,432 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **9,668** | | | | |
| Russia | | | | | | 2,508 | | | | |
| **Total continuing operations** | **12,641** | **13,474** | **17,739** | **18,214** | **20,477** | **12,176** | **8,737** | **8,941** | **8,554** | **9,150** |

Fortum is disclosing Comparable net assets instead of Net assets from 2016 onwards.

## Comparable return on net assets by segment

| % | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 6.9 | 8.4 | 10.8 | 13.3 | 12.2 | 19.0 | 23.2 | 24.2 | 16.0 | 11.8 |
| Consumer Solutions | 44.3 | 11.7 | 7.8 | 13.3 | 15.9 | 6.9 | 9.1 | 4.5 | 11.2 | 18.3 |
| Other Operations [1] | | | | | | | | | -16.1 | -38.0 |
| City Solutions | 5.9 | 5.5 | 5.5 | 4.6 | 2.8 | 6.1 | | | | |
| Russia | 8.0 | 10.1 | 10.3 | 12.3 | 11.1 | 12.9 | 11.3 | N/A | | |
| Uniper [2] | | | | | N/A | 16.5 | N/A | | | |
| **Total continuing operations [1]** | | | | | | | | | **13.0** | **10.9** |

1) Comparable return on net assets by segment for Other Operations and Total continuing operations is disclosed from 2024 onwards.
2) Fortum consolidated Uniper into its balance sheet as of 31 March 2020 and, from the second quarter of 2020, consolidated Uniper's results into its income statement. Comparable return on net assets for the Uniper segment is presented for 2021.

## Average number of employees

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 1,064 | 1,036 | 1,107 | 1,122 | 1,163 | 1,153 | 1,838 | 1,735 | 1,968 | 2,137 |
| Consumer Solutions | 877 | 1,180 | 1,473 | 1,379 | 1,216 | 1,091 | 1,177 | 1,232 | 1,176 | 1,124 |
| Other Operations | 711 | 774 | 814 | 825 | 959 | 976 | 2,106 | 2,237 | 2,158 | 1,286 |
| City Solutions | 1,529 | 1,807 | 1,994 | 1,979 | 2,051 | 1,964 | | | | |
| Russia | 3,814 | 3,710 | 3,378 | 2,942 | 2,969 | | | | | |
| Uniper [1] | | | | | 8,945 | | | | | |
| **Total continuing operations excl. Russia** | | | | | | **5,183** | | | | |
| Russia | | | | | | 2,862 | | | | |
| **Total continuing operations [1]** | **7,994** | **8,507** | **8,767** | **8,248** | **17,304** | **8,045** | **5,120** | **5,205** | **5,301** | **4,547** |
| Discontinued operations | | | | | | 11,751 | 10,566 | 838 | | |

1) 2020 comparative figure was revised to reflect the consolidation of Uniper from 31 March 2020.

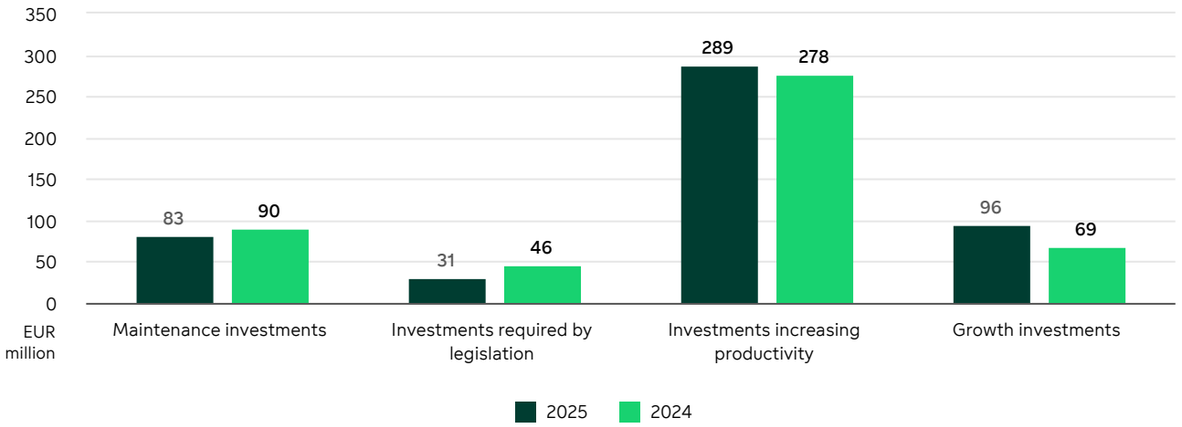
# Capital expenditure

## Capital expenditure by type and segment [1)]

| | Finland | | Sweden | | Norway | | Poland | | Other countries | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **EUR million** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| **Generation** | | | | | | | | | | | | |
| Hydropower | 19 | 19 | 121 | 113 | | | | | | | 140 | 133 |
| Nuclear power | 73 | 54 | | | | | | | | | 73 | 54 |
| Renewable-based electricity, wind | 20 | 29 | | | | | | | | | 20 | 29 |
| Renewable-based electricity, solar | | | | | | | | | 9 | 1 | 9 | 1 |
| Fossil-based heat | 3 | 2 | | | | | | 2 | | | 3 | 4 |
| Renewable-based heat, of which | 98 | 59 | | | | | 50 | 23 | | | 148 | 82 |
| biofuels | | | | | | | 2 | 2 | | | 2 | 2 |
| waste | | | | | | | 47 | 3 | | | 47 | 3 |
| other | 98 | 59 | | | | | 1 | 18 | | | 99 | 77 |
| District heat network | 25 | 26 | | | | | 10 | 13 | | | 36 | 39 |
| Other | 6 | 10 | | 0 | | 0 | 4 | 3 | | | 10 | 13 |
| **Total** | **244** | **199** | **121** | **114** | | **0** | **65** | **41** | **9** | **1** | **438** | **355** |
| **Consumer Solutions** | | | | | | | | | | | | |
| Other | 13 | 21 | 13 | 11 | 9 | 16 | 20 | 20 | 2 | 2 | 58 | 71 |
| **Total** | **13** | **21** | **13** | **11** | **9** | **16** | **20** | **20** | **2** | **2** | **58** | **71** |
| **Other Operations** | | | | | | | | | | | | |
| Renewable-based heat, waste | | 15 | | | | | | | | 12 | 0 | 26 |
| Other | 3 | 6 | | 19 | | | | | 1 | 5 | 4 | 31 |
| **Total** | **3** | **22** | | **19** | | | | | **1** | **17** | **4** | **57** |
| **Segments total** | **260** | **242** | **134** | **144** | **9** | **17** | **85** | **61** | **12** | **20** | **500** | **483** |

1) Includes capital expenditure to both intangible assets and property, plant and equipment.

**Fortum classifies investments in four main categories, EUR million**




## Generation

Fortum invested EUR 62 million (2024: 54) into the Loviisa nuclear power plant in Finland. Fortum additionally invested EUR 140 million (2024: 133) into hydro power production, mainly maintenance, legislation and productivity investments. Investments in the district heating and cooling business were EUR 187 million (2024: 125), consisting mainly of decarbonisation and maintenance investments. Investments into wind energy production were EUR 20 million (2024: 29).

## Consumer Solutions

Investments in Consumer Solutions totalled EUR 58 million (2024: 71). The amount consists mainly of capitalised sales commissions for customer acquisition.

## Other Operations

Investments in Other Operations segment were EUR 4 million (2024: 57). In 2024, they consisted mainly of growth and maintenance investments in the divested recycling and waste business.

# Operational key figures

Note: Operational key figures are unaudited.

## Comparability of information presented in tables

Uniper sales and production volumes are disclosed from 1 April 2020 until 31 December 2020.

## Production

### Fortum's total power and heat production in Nordics, continuing operations

| TWh | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Power generation | | | | 45.5 | 59.2 | 47.9 | 43.5 | 46.4 | 45.8 | 41.8 |
| Heat production | | | | 6.3 | 5.1 | 5.5 | 4.1 | 3.2 | 3.0 | 2.0 |

Fortum is disclosing total power and heat production in Nordics instead of EU and Norway from 2019 onwards. Power and heat production in EU and Norway until 2018 are disclosed below.

### Fortum's total power and heat production in EU and Norway

| TWh | 2016 | 2017 | 2018 [1)] |
|---|---|---|---|
| Power generation | 47.5 | 46.6 | 44.7 |
| Heat production | 7.1 | 8.6 | 9.4 |

1) Fortum is disclosing total power and heat production in Nordics instead of EU and Norway from 2019 onwards.

### Fortum's total power and heat production in other European countries

| TWh | 2016 | 2017 | 2018 | 2019 [1)] | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Power generation | | | | 1.3 | 26.7 | 1.1 | 0.8 | 0.6 | 0.6 | 0.6 |
| Heat production | | | | 2.8 | 7.1 | 2.3 | 1.2 | 1.1 | 1.1 | 1.2 |

1) Disclosed from 2019 onwards.

### Fortum's total power and heat production in Russia

| TWh | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|
| Power generation | 25.5 | 26.3 | 29.6 | 29.3 | 55.6 | 28.6 |
| Heat production | 20.7 | 20.0 | 20.4 | 17.3 | 17.4 | 17.1 |

## Fortum's power generation by source, total in the Nordic area, continuing operations

| TWh | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Hydropower [1] | 20.8 | 20.9 | 19.4 | 20.7 | 29.6 | 23.3 | 19.1 | 20.9 | 20.2 | 18.5 |
| Nuclear power | 24.1 | 23.0 | 22.8 | 23.5 | 28.6 | 23.5 | 23.4 | 24.8 | 24.3 | 22.1 |
| Wind power | | | | | | | 0.0 | 0.1 | 0.9 | 1.0 |
| CHP and condensing power | 1.4 | 1.6 | 1.3 | 1.4 | 1.0 | 1.0 | 0.9 | 0.5 | 0.3 | 0.1 |
| **Total** | **46.2** | **45.4** | **43.5** | **45.5** | **59.2** | **47.9** | **43.5** | **46.4** | **45.8** | **41.8** |

1) Including wind power until 2021.

## Fortum's power generation by source, total in the Nordic area, continuing operations

| % | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Hydropower [1] | 45 | 46 | 45 | 45 | 50 | 49 | 44 | 45 | 44 | 44 |
| Nuclear power | 52 | 51 | 52 | 52 | 48 | 49 | 54 | 54 | 53 | 53 |
| Wind power | | | | | | | 0 | 0 | 2 | 2 |
| CHP and condensing power | 3 | 3 | 30 | 3 | 2 | 2 | 2 | 1 | 1 | 0 |
| **Total** | **100** | **100** | **100** | **100** | **100** | **100** | **100** | **100** | **100** | **100** |

1) Including wind power until 2021.

## Fortum's power generation by source, total in other European countries, continuing operations

| TWh | 2016 | 2017 | 2018 | 2019 [1] | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Hydropower | | | | 0.0 | 3.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| CHP | | | | 1.3 | 23.4 | 1.1 | 0.8 | 0.6 | 0.6 | 0.6 |
| **Total** | | | | **1.3** | **26.7** | **1.1** | **0.8** | **0.6** | **0.6** | **0.6** |

1) Disclosed from 2019 onwards.

## Fortum's power generation by source, total in other European countries, continuing operations

| % | 2016 | 2017 | 2018 | 2019 [1] | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Hydropower | | | | 0 | 12 | 0 | 0 | 0 | 0 | 0 |
| CHP and condensing power | | | | 100 | 88 | 100 | 100 | 100 | 100 | 100 |
| **Total** | | | | **100** | **100** | **100** | **100** | **100** | **100** | **100** |

1) Disclosed from 2019 onwards.

## Power generation capacity by segment, continuing operations

| MW | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 8,039 | 7,862 | 7,867 | 8,220 | 8,163 | 8,041 | 8,551 | 9,223 | 9,286 | 9,296 |
| Russia | 4,482 | 4,794 | 4,912 | 4,928 | 4,928 | | | | | |
| City Solutions | 760 | 775 | 788 | 1,082 | 988 | 559 | | | | |
| Uniper | | | | | 36,218 | | | | | |
| Other Operations | 53 | 292 | 157 | 0 | 0 | 0 | 25 | 25 | | |
| **Total excl. Russia** [1] | | | | | | **8,600** | | | | |
| Russia [1] | | | | | | 4,672 | | | | |
| **Total** | **13,334** | **13,722** | **13,724** | **14,230** | **50,297** | **13,272** | **8,576** | **9,248** | **9,286** | **9,296** |

1) From 2021 onwards.

## Heat production capacity by segment, continuing operations

| MW | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 0 | 0 | 0 | 0 | 0 | 0 | 1,964 | 2,022 | 1,842 | 2,060 |
| Russia | 9,920 | 10,094 | 10,229 | 8,437 | 8,437 | | | | | |
| City Solutions | 3,818 | 4,671 | 4,780 | 4,812 | 4,057 | 3,026 | | | | |
| Uniper | | | | | 7,017 | | | | | |
| Other Operations | | | | | | | 171 | 171 | | |
| **Total excl. Russia** [1] | | | | | | **3,026** | | | | |
| Russia [1] | | | | | | 7,613 | | | | |
| **Total** | **13,738** | **14,765** | **15,009** | **13,249** | **19,511** | **10,639** | **2,135** | **2,193** | **1,842** | **2,060** |

1) From 2021 onwards.

## Fortum's power generation capacity by type and area

| | Finland | | Sweden | | Poland | | Total | |
|---|---|---|---|---|---|---|---|---|
| MW | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Hydropower | 1,576 | 1,574 | 3,094 | 3,094 | 0 | 0 | 4,671 | 4,668 |
| Nuclear power | 1,892 | 1,892 | 1,363 | 1,355 | 0 | 0 | 3,255 | 3,247 |
| Wind power | 380 | 380 | 0 | 0 | 0 | 0 | 380 | 380 |
| CHP | 280 | 280 | 0 | 0 | 145 | 145 | 425 | 425 |
| Condensing power | 565 | 565 | 0 | 0 | 0 | 0 | 565 | 565 |
| **Total** | **4,694** | **4,692** | **4,457** | **4,449** | **145** | **145** | **9,296** | **9,286** |

## Fortum's heat production capacity by area

| | Finland | | Poland | | Total | |
|---|---|---|---|---|---|---|
| MW | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Heat | 1,476 | 1,275 | 583 | 568 | 2,060 | 1,842 |

# Sales

## Fortum's total power and heat sales in Nordics, continuing operations

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Power sales | | | | 2,877 | 2,494 | 3,602 | 5,444 | 4,311 | 3,593 | 3,183 |
| Heat sales | | | | 390 | 271 | 403 | 325 | 208 | 190 | 154 |

Fortum is disclosing total power and heat sales in Nordics instead of EU and Norway from 2019 onwards. Power and heat production in EU and Norway until 2018 are disclosed below.

## Fortum's total power and heat sales in EU and Norway

| EUR million | 2016 | 2017 | 2018 [1)] |
|---|---|---|---|
| Power sales | 1,893 | 2,244 | 2,922 |
| Heat sales | 449 | 524 | 615 |

1) Fortum is disclosing total power and heat sales in Nordics instead of EU and Norway from 2019 onwards.

## Fortum's total power and heat sales in other European countries, continuing operations

| EUR million | 2016 | 2017 | 2018 | 2019 [1)] | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Power sales | | | | 130 | 16,226 | 325 | 643 | 879 | 774 | 756 |
| Heat sales | | | | 228 | 410 | 240 | 202 | 304 | 336 | 379 |

1) Disclosed from 2019 onwards.

## Fortum's total power and heat sales in Russia

| EUR million | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|
| Power sales | 691 | 837 | 872 | 924 | 1,411 | 761 |
| Heat sales | 199 | 258 | 193 | 145 | 145 | 137 |

## Fortum's total power sales by area, continuing operations

| TWh | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Finland | 22.8 | 22.5 | 23.1 | 23.1 | 23.1 | 23.0 | 21.5 | 23.6 | 22.9 | 21.5 |
| Sweden | 28.8 | 30.8 | 29.7 | 31.5 | 44.7 | 32.1 | 27.3 | 27.1 | 27.6 | 23.3 |
| Russia | 29.5 | 30.5 | 34.1 | 33.8 | 68.3 | | | | | |
| Norway | 1.5 | 7.2 | 15.3 | 15.0 | 13.8 | 13.7 | 11.3 | 12.8 | 6.5 | 10.8 |
| Germany | | | | 0.0 | 338.8 | | | | | |
| United Kingdom | | | | 0.0 | 13.0 | | | | | |
| Netherlands | | | | 0.0 | 6.3 | | | | | |
| Other countries | 2.1 | 2.9 | 1.8 | 2.5 | 8.1 | 4.2 | 4.5 | 6.0 | 5.8 | 5.7 |
| **Total excl. Russia** [1] | | | | | | **73.0** | | | | |
| Russia [1] | | | | | | 32.5 | | | | |
| **Total** | **84.7** | **93.9** | **104.0** | **105.8** | **516.0** | **105.5** | **64.7** | **69.5** | **62.8** | **61.3** |

1) Disclosed from 2021 onwards.

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

## Fortum's total heat sales by area, continuing operations

| TWh | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Russia | 20.7 | 19.8 | 20.7 | 16.9 | 17.4 | | | | | |
| Finland | 3.6 | 3.9 | 3.8 | 3.8 | 2.9 | 3.1 | 2.8 | 2.6 | 2.4 | 1.9 |
| Norway | | | | 1.7 | 1.5 | 1.8 | 0.8 | | | |
| Poland | 3.6 | 3.7 | 3.5 | 3.3 | 3.4 | 3.8 | 3.5 | 3.4 | 3.2 | 3.6 |
| Germany | | | | 0.0 | 2.4 | | | | | |
| United Kingdom | | | | 0.0 | 0.0 | | | | | |
| Netherlands | | | | 0.0 | 2.3 | | | | | |
| Other countries | 1.5 | 2.5 | 3.5 | 2.0 | 1.9 | 1.3 | 0.4 | 0.4 | 0.4 | 0.0 |
| **Total excl. Russia** [1] | | | | | | **10.0** | | | | |
| Russia [1] | | | | | | 17.0 | | | | |
| **Total** | **29.4** | **29.9** | **31.5** | **27.6** | **31.7** | **27.0** | **7.6** | **6.4** | **6.1** | **5.4** |

1) From 2021 onwards.

# Quarterly financial information

Note: Quarterly financial information is unaudited.

## Selected data based on quarterly consolidated income statement

| EUR million | I/2024 | II/2024 | III/2024 | IV/2024 | 2024 | I/2025 | II/2025 | III/2025 | IV/2025 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Reported** | | | | | | | | | | |
| Sales | 2,015 | 1,255 | 1,094 | 1,435 | 5,800 | 1,642 | 974 | 929 | 1,444 | 4,989 |
| Operating profit | 571 | 240 | 123 | 390 | 1,325 | 470 | 104 | 60 | 305 | 939 |
| Share of profit of associates and joint ventures | 21 | 2 | 34 | -38 | 19 | 9 | 27 | 9 | 10 | 56 |
| Finance costs - net | -13 | 29 | 3 | 35 | 55 | -29 | -3 | -11 | -15 | -59 |
| Profit before income tax | 580 | 272 | 160 | 388 | 1,399 | 450 | 128 | 58 | 300 | 936 |
| Income tax expense | -106 | -57 | -27 | -49 | -239 | -88 | -23 | -7 | -55 | -173 |
| Net profit | 473 | 215 | 133 | 338 | 1,160 | 362 | 106 | 51 | 244 | 763 |
| Non-controlling interests | 2 | -2 | 1 | -6 | -4 | -1 | 1 | -1 | -1 | -2 |
| Net profit (after non-controlling interests) | 471 | 217 | 132 | 344 | 1,164 | 363 | 104 | 52 | 246 | 765 |
| Earnings per share, EUR | 0.53 | 0.24 | 0.14 | 0.39 | 1.30 | 0.40 | 0.12 | 0.06 | 0.27 | 0.85 |
| **Comparable** | | | | | | | | | | |
| EBITDA | 622 | 326 | 254 | 355 | 1,556 | 538 | 191 | 175 | 336 | 1,240 |
| Operating profit | 530 | 233 | 158 | 257 | 1,178 | 462 | 115 | 97 | 251 | 924 |
| Share of profit/loss of associates and joint ventures | 12 | -1 | -5 | -35 | -30 | 8 | 7 | -1 | 14 | 28 |
| Net profit (after non-controlling interests) | 430 | 184 | 117 | 169 | 900 | 374 | 87 | 70 | 207 | 739 |
| Earnings per share, EUR | 0.48 | 0.20 | 0.14 | 0.18 | 1.00 | 0.42 | 0.09 | 0.08 | 0.23 | 0.82 |

## Quarterly sales by segment

| EUR million | I/2024 | II/2024 | III/2024 | IV/2024 | 2024 | I/2025 | II/2025 | III/2025 | IV/2025 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation [1] | 1,412 | 796 | 644 | 942 | 3,795 | 1,122 | 615 | 590 | 918 | 3,245 |
| Consumer Solutions | 1,154 | 619 | 509 | 792 | 3,073 | 1,000 | 573 | 573 | 883 | 3,029 |
| Other Operations [1] | 144 | 146 | 165 | 141 | 596 | 46 | 46 | 45 | 49 | 187 |
| Netting of Nord Pool transactions [2] | -567 | -205 | -114 | -309 | -1,196 | -399 | -179 | -220 | -338 | -1,136 |
| Eliminations | -128 | -100 | -110 | -131 | -469 | -126 | -81 | -60 | -69 | -336 |
| **Total** | **2,015** | **1,255** | **1,094** | **1,435** | **5,800** | **1,642** | **974** | **929** | **1,444** | **4,989** |

1) Sales, both internal and external, includes effects from realized hedging contracts. Effect on sales can be negative or positive depending on the average contract price and realized spot price.
2) Sales and purchases with Nord Pool Spot is netted at Group level on a 15 minutes or an hourly basis and posted either as revenue or cost depending on if Fortum is a net seller or net buyer during any particular 15 minutes or hour.

## Quarterly comparable operating profit by segment

| EUR million | I/2024 | II/2024 | III/2024 | IV/2024 | 2024 | I/2025 | II/2025 | III/2025 | IV/2025 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Generation | 513 | 264 | 176 | 265 | 1,218 | 436 | 121 | 92 | 245 | 893 |
| Consumer Solutions | 42 | 12 | 6 | 16 | 76 | 47 | 26 | 23 | 26 | 122 |
| Other Operations | -25 | -43 | -24 | -24 | -116 | -20 | -32 | -18 | -20 | -91 |
| **Comparable operating profit** | **530** | **233** | **158** | **257** | **1,178** | **462** | **115** | **97** | **251** | **924** |
| Impairment charges and reversals | -2 | 0 | 0 | -15 | -17 | -11 | -10 | 0 | -4 | -25 |
| Capital gains and other related items | 5 | 2 | 0 | 176 | 183 | 0 | -3 | 0 | -1 | -4 |
| Changes in fair values of derivatives hedging future cash flow | 39 | 4 | -35 | -69 | -61 | 20 | 2 | -37 | 61 | 47 |
| Other | 0 | 1 | 0 | 42 | 43 | -1 | 0 | 0 | -1 | -3 |
| **Operating profit** | **571** | **240** | **123** | **390** | **1,325** | **470** | **104** | **60** | **305** | **939** |

The first and last quarters of the year are usually the strongest quarters for power and heat businesses.

# ISSB content index

Fortum reports on 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). The following table references disclosures in this Financial statements and operating and financial review to the IFRS S1 and IFRS S2 disclosure requirements.

| IFRS S1 Reference | Section | Additional information |
|---|---|---|
| **Governance** | | |
| S1-27(a)(i) | 1.5.1 Role of administrative, management and supervisory bodies<br>Risk governance in Risk management (Operating and financial review) | |
| S1-27(a)(ii) | 1.5.1 Role of administrative, management and supervisory bodies | |
| S1-27(a)(iii) | 1.5.1 Role of administrative, management and supervisory bodies | |
| S1-27(a)(iv) | 1.3.1 Business model and value chain<br>1.5.1 Role of administrative, management and supervisory bodies | |
| S1-27(a)(v) | 1.5.1 Role of administrative, management and supervisory bodies<br>1.5.2 Sustainability-related performance in incentive schemes | |
| S1-27(b)(i) | 1.5.1 Role of administrative, management and supervisory bodies<br>Risk governance in Risk management (Operating and financial review) | |
| S1-27(b)(ii) | 1.5.1 Role of administrative, management and supervisory bodies<br>1.5.3 Risk management and internal controls over sustainability reporting | |
| **Strategy** | | |
| S1-30(a) | 1.4.2 Material impacts, risks and opportunities<br>2.2.2 Material impacts, risks and opportunities for climate change<br>Risk environment in Risk management (Operating and financial review) | |
| S1-30(b) | 1.4.2 Material impacts, risks and opportunities<br>2.2.2 Material impacts, risks and opportunities for climate change | |
| S1-30(c) | 1.2.4 Time horizons | |
| S1-32(a) | 2.2.2 Material impacts, risks and opportunities for climate change<br>Risk environment in Risk management (Operating and financial review) | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S1-32(b) | 1.3.1 Business model and value chain<br>1.4.2 Material impacts, risks and opportunities<br>2.2.2 Material impacts, risks and opportunities for climate change | |
| S1-33(a) | 1.3.1 Business model and value chain<br>2.2.5 Targets for climate change | |
| S1-33(b) | 2.2.5 Targets for climate change<br>2.2.7 Actions and resources for climate change | |
| S1-33(c) | 1.3.1 Business model and value chain | |
| S1-34(a) | 2.2.2 Material impacts, risks and opportunities for climate change<br>2.2.7 Actions and resources for climate change | |
| S1-34(b) | | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S1-35(a) | 2.2.2 Material impacts, risks and opportunities for climate change<br>2.2.7 Actions and resources for climate change<br>Note 2 Critical accounting estimates and judgements | |
| S1-35(b) | 2.2.2 Material impacts, risks and opportunities for climate change | |
| S1-35(c)(i) | 2.2.7 Actions and resources for climate change | |
| S1-35(c)(ii) | Financial position and cash flow in Financial performance and position (Operating and financial review) | |
| S1-35(d) | Outlook in Financial performance and position (Operating and financial review) | |
| S1-40(a) | 2.2.2 Material impacts, risks and opportunities for climate change | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S1-40(b) | 2.2.2 Material impacts, risks and opportunities for climate change<br>Note 2 Critical accounting estimates and judgements | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S1-40(c) | | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S1-41 | 2.2.4 Resilience analysis | |
| **Risk management** | | |
| S1-44(a)(i) | 1.4.1 Double materiality assessment process<br>2.2.4 Resilience analysis | |
| S1-44(a)(ii) | 1.4.1 Double materiality assessment process<br>2.2.4 Resilience analysis | |
| S1-44(a)(iii) | 1.4.1 Double materiality assessment process<br>Risk management process in Risk management (Operating and financial review) | |
| S1-44(a)(iv) | 1.4.1 Double materiality assessment process | |
| S1-44(a)(v) | 1.5.1 Role of administrative, management and supervisory bodies<br>Risk governance in Risk management (Operating and financial review)<br>Risk management process in Risk management (Operating and financial review) | |
| S1-44(a)(vi) | 1.4.1 Double materiality assessment process | |

| IFRS S1 Reference | Section | Additional information |
|---|---|---|
| S1-44(b) | 1.4.1 Double materiality assessment process | |
| | 2.2.4 Resilience analysis | |
| S1-44(c) | 1.4.1 Double materiality assessment process | |
| | 1.5.1 Role of administrative, management and supervisory bodies | |
| | Risk environment in Risk management (Operating and financial review) | |
| **Metrics and targets** | | |
| S1-46(a) | 2.2.8 Metrics for climate change | |
| S1-46(b)(i) | 2.2.8 Metrics for climate change | |
| S1-46(b)(ii) | 2.2.5 Targets for climate change | |
| | 2.2.8 Metrics for climate change | |
| S1-49 | | ESRS metrics are applied |
| S1-50(a) | 2.2.8 Metrics for climate change | |
| | 2.4.7 Metrics for biodiversity | |
| | 3.2.5 Taking action and tracking effectiveness of actions on own workforce | |
| S1-50(b) | 2.2.8 Metrics for climate change | |
| | 2.4.7 Metrics for biodiversity | |
| | 3.2.5 Taking action and tracking effectiveness of actions on own workforce | |
| S1-50(c) | | The metrics are assured as part of the CSRD report |
| S1-50(d) | 2.2.8 Metrics for climate change | |
| | 2.4.7 Metrics for biodiversity | |
| | 3.2.5 Taking action and tracking effectiveness of actions on own workforce | |
| S1-51(a) | 1.1.4 Fortum's sustainability targets | |
| | 2.2.5 Targets for climate change | |
| | 2.3.4 Targets for pollution | |
| | 2.4.4 Targets for biodiversity | |
| | 3.2.4 Targets for own workforce | |
| | 3.3.4 Targets for workers in the value chain | |
| | 3.5.4 Targets for privacy of consumers and own workforce | |
| | 4.6.1 Targets for corruption and bribery | |
| S1-51(b) | 1.1.4 Fortum's sustainability targets | |
| | 2.2.5 Targets for climate change | |
| | 2.3.4 Targets for pollution | |
| | 2.4.4 Targets for biodiversity | |
| | 3.2.4 Targets for own workforce | |
| | 3.3.4 Targets for workers in the value chain | |
| | 3.5.4 Targets for privacy of consumers and own workforce | |
| | 4.6.1 Targets for corruption and bribery | |

| IFRS S1 Reference | Section | Additional information |
|---|---|---|
| S1-51(c) | 1.1.4 Fortum's sustainability targets | |
| | 2.2.5 Targets for climate change | |
| | 2.3.4 Targets for pollution | |
| | 2.4.4 Targets for biodiversity | |
| | 3.2.4 Targets for own workforce | |
| | 3.3.4 Targets for workers in the value chain | |
| | 3.5.4 Targets for privacy of consumers and own workforce | |
| | 4.6.1 Targets for corruption and bribery | |
| S1-51(d) | 1.1.4 Fortum's sustainability targets | |
| | 2.2.5 Targets for climate change | |
| | 2.3.4 Targets for pollution | |
| | 2.4.4 Targets for biodiversity | |
| S1-51(e) | 1.1.4 Fortum's sustainability targets | |
| | 2.2.5 Targets for climate change | |
| S1-51(f) | 1.1.4 Fortum's sustainability targets | |
| | 2.2.5 Targets for climate change | |
| | 2.3.4 Targets for pollution | |
| | 2.4.4 Targets for biodiversity | |
| | 3.2.5 Taking action and tracking effectiveness of actions on own workforce | |
| | 3.3.5 Taking action and tracking effectiveness of actions on workers in the value chain | |
| | 3.5.5 Taking action on privacy of consumers and own workforce | |
| S1-51(g) | 1.1.4 Fortum's sustainability targets | |
| | 2.3.4 Targets for pollution | |
| | 2.4.7 Metrics for biodiversity | |
| | 3.2.4 Targets for own workforce | |
| | 3.5.4 Targets for privacy of consumers and own workforce | |

| IFRS S2 Reference | Section | Additional information |
|---|---|---|
| **Governance** | | |
| S2-6(a)(i-v)-<br>S2-6(b)(i-ii) | | See S1 above, sustainability risks and opportunities at Fortum are managed in an integrated manner |
| **Strategy** | | |
| S2-10(a) | 1.4.2 Material impacts, risks and opportunities<br>2.2.2 Material impacts, risks and opportunities for climate change<br>Risk environment in Risk management (Operating and financial review) | |
| S2-10(b) | 2.2.2 Material impacts, risks and opportunities for climate change | |
| S2-10(c) | 1.4.2 Material impacts, risks and opportunities<br>2.2.2 Material impacts, risks and opportunities for climate change | |
| S2-10(d) | 1.2.4 Time horizons<br>Risk management process in Risk management (Operating and financial review) | |
| S2-13(a) | 2.2.2 Material impacts, risks and opportunities for climate change | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S2-13(b) | 1.3.1 Business model and value chain<br>1.4.2 Material impacts, risks and opportunities<br>2.2.2 Material impacts, risks and opportunities for climate change | |
| S2-14(a)(i) | 1.3.1 Business model and value chain<br>2.2.6 Transition plan for climate change mitigation<br>2.2.7 Actions and resources for climate change | |
| S2-14(a)(ii) | 2.2.6 Transition plan for climate change mitigation<br>2.2.7 Actions and resources for climate change | |
| S2-14(a)(iii) | 2.2.6 Transition plan for climate change mitigation<br>2.2.7 Actions and resources for climate change | |
| S2-14(a)(iv) | 2.2.6 Transition plan for climate change mitigation | |
| S2-14(a)(v) | 2.2.6 Transition plan for climate change mitigation<br>2.2.7 Actions and resources for climate change | |
| S2-14(b) | 2.2.7 Actions and resources for climate change | |
| S2-14(c) | 1.1.4 Fortum's sustainability targets<br>2.2.7 Actions and resources for climate change | |
| S2-15(a) | 2.2.2 Material impacts, risks and opportunities for climate change<br>2.2.7 Actions and resources for climate change | |
| S2-15(b) | | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S2-16(a) | 2.2.2 Material impacts, risks and opportunities for climate change<br>2.2.7 Actions and resources for climate change<br>Note 2 Critical accounting estimates and judgements | |
| S2-16(b) | 2.2.2 Material impacts, risks and opportunities for climate change | |
| S2-16(c)(i) | 2.2.7 Actions and resources for climate change | |
| S2-16(c)(ii) | Financial position and cash flow in Financial performance and position (Operating and financial review) | |
| S2-16(d) | Outlook in Financial performance and position (Operating and financial review) | |
| S2-21(a) | 2.2.2 Material impacts, risks and opportunities for climate change | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S2-21(b) | 2.2.2 Material impacts, risks and opportunities for climate change<br>Note 2 Critical accounting estimates and judgements | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S2-21(c) | | Anticipated financial effects are not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S2-22(a)(i) | 2.2.4 Resilience analysis | |
| S2-22(a)(ii) | 2.2.4 Resilience analysis | |
| S2-22(a)(iii)(1) | 2.2.7 Actions and resources for climate change | |
| S2-22(a)(iii)(2) | 2.2.6 Transition plan for climate change mitigation | |
| S2-22(a)(iii)(3) | 2.2.7 Actions and resources for climate change | |
| S2-22(b)(i)(1) | 2.2.4 Resilience analysis | |
| S2-22(b)(i)(2) | 2.2.4 Resilience analysis | |
| S2-22(b)(i)(3) | 2.2.4 Resilience analysis | |
| S2-22(b)(i)(4) | 2.2.4 Resilience analysis | |
| S2-22(b)(i)(5) | 2.2.4 Resilience analysis | |
| S2-22(b)(i)(6) | 2.2.4 Resilience analysis | |
| S2-22(b)(i)(7) | 2.2.4 Resilience analysis | |
| S2-22(b)(ii)(1) | 2.2.4 Resilience analysis | |
| S2-22(b)(ii)(2) | 2.2.4 Resilience analysis | |
| S2-22(b)(ii)(3) | 2.2.4 Resilience analysis | |
| S2-22(b)(ii)(4) | 2.2.4 Resilience analysis | |
| S2-22(b)(ii)(5) | 2.2.4 Resilience analysis | |
| S2-22(b)(iii) | 2.2.4 Resilience analysis | |

| IFRS S2 Reference | Section | Additional information |
|---|---|---|
| **Risk management** | | |
| S2-25(a)(i-vi)-<br>S2-25(c) | | See S1 above, sustainability risks and opportunities at Fortum are managed in an integrated manner |
| **Metrics and targets** | | |
| S2-29(a)(i)(1) | 2.2.8 Metrics for climate change | |
| S2-29(a)(i)(2) | 2.2.8 Metrics for climate change | |
| S2-29(a)(i)(3) | 2.2.8 Metrics for climate change | |
| S2-29(a)(ii) | 2.2.8 Metrics for climate change | |
| S2-29(a)(iii)(1) | 2.2.8 Metrics for climate change | |
| S2-29(a)(iii)(2) | 2.2.8 Metrics for climate change | |
| S2-29(a)(iii)(3) | 2.2.8 Metrics for climate change | |
| S2-29(a)(iv)(1) | 1.2.2 Reporting scope | |
| S2-29(a)(iv)(2) | 1.2.2 Reporting scope<br>2.2.8 Metrics for climate change | |
| S2-29(a)(v) | 2.2.8 Metrics for climate change | |
| S2-29(a)(vi)(1) | 2.2.8 Metrics for climate change | |
| S2-29(a)(vi)(2) | | Not applicable |
| S2-29(b) | | Not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S2-29(c) | | Not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S2-29(d) | | Not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S2-29(e) | | Not disclosed in 2025 as Fortum is applying ESRS transitional provisions |
| S2-29(f)(i) | 2.2.8 Metrics for climate change | |
| S2-29(f)(ii) | 2.2.8 Metrics for climate change | |
| S2-29(g)(i) | 1.5.2 Sustainability-related performance in incentive schemes | |
| S2-29(g)(ii) | 1.5.2 Sustainability-related performance in incentive schemes | |
| S2-33(a) | 1.1.4 Fortum's sustainability targets | |
| | 2.2.5 Targets for climate change | |
| S2-33(b) | 2.2.5 Targets for climate change | |
| S2-33(c) | 1.1.4 Fortum's sustainability targets | |
| S2-33(d) | 2.2.5 Targets for climate change | |
| S2-33(e) | 2.2.5 Targets for climate change | |
| S2-33(f) | 2.2.5 Targets for climate change | |
| S2-33(g) | 2.2.5 Targets for climate change | |
| S2-33(h) | 2.2.5 Targets for climate change | |
| S2-34(a) | 2.2.5 Targets for climate change | |
| S2-34(b) | 2.2.5 Targets for climate change | |
| S2-34(c) | 2.2.5 Targets for climate change | |
| S2-34(d) | | Not applicable |
| S2-35 | 2.2.5 Targets for climate change | |
| S2-36(a) | 2.2.5 Targets for climate change | |
| S2-36(b) | 2.2.5 Targets for climate change | |
| S2-36(c) | 2.2.5 Targets for climate change | |
| S2-36(d) | 2.2.5 Targets for climate change | |
| S2-36(e)(i) | | Not material |
| S2-36(e)(ii) | | Not material |
| S2-36(e)(iii) | | Not material |
| S2-36(e)(iv) | | Not material |

# Investor information

Fortum's Investor Relations activities cover equity and fixed-income markets to ensure full and fair valuation of the company's shares, access to funding sources and stable bond pricing.

The key task of Investor Relations is to provide correct, adequate and up-to-date information regularly and equally to all market participants. By doing this, Investor Relations aims to minimise the investor's risk and reduce the share's volatility. All financial and investor communications and activities at Fortum are coordinated by the IR function.

Fortum's investor website www.fortum.com/investors provides information about Fortum's financial targets and performance, business environment, strategy, risks, outlook and share. All financial reports, presentations, webcasts are also available on the site.

## Annual General Meeting 2026

The Annual General Meeting 2026 of Fortum Corporation will be held on Tuesday 31 March 2026, starting at 14:00 EEST.

## Payment of dividends

The Board of Directors proposes to the Annual General Meeting that Fortum Corporation pays a dividend of EUR 0.74 per share for 2025, totalling approximately EUR 664 million based on the registered shares as of 2 February 2026. The possible dividend-related dates planned for 2026 are:

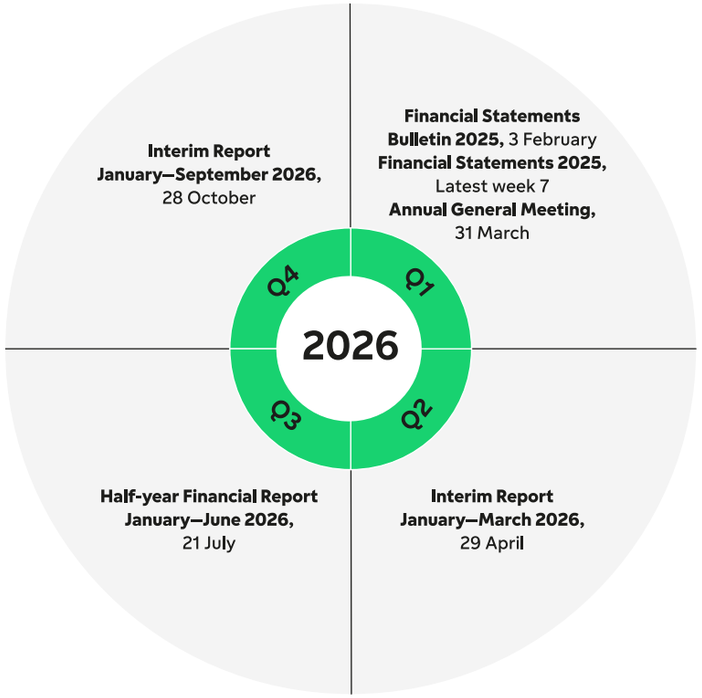
- ex-dividend date: 1 April 2026
- record date: 2 April 2026
- payment date: 14 April 2026

## Financial information in 2026

Fortum will publish three interim reports in 2026:

- January–March Interim Report on 29 April
- January–June Half-year Financial Report on 21 July, and
- January–September Interim Report on 28 October.

The reports are published at approximately 9:00 EET in Finnish and English, and are available on Fortum's website at www.fortum.com/investors.




## Fortum share basics

Listed on Nasdaq Helsinki
Trading ticker: FORTUM
Number of shares, 2 February 2026: 897,264,465
Sector: Utilities

## Silent period

The company voluntarily applies a "silent period" before announcing earnings, during which time it will not comment on the company's business prospect for the current or previous, non-disclosed quarter. The silent period starts 30 days prior to the date of the earnings announcement.

## Fortum's activities in capital markets during 2025

In 2025, Fortum had approximately 140 investor meetings and conference calls and met some 290 professional equity investors individually or in group meetings. IR also maintained regular contact with equity research analysts at investment banks and brokerage firms.

Fortum's Investor Day 2025 was held in Helsinki, Finland on 25 November. Some 40 analysts and institutional investors as well as other capital markets and media representatives attended the event in Helsinki, Finland. The live stream/ teleconference of the event, which was open for all, had at its best some 300 followers.