Equity story of

FORTUM — For a cleaner world

Investor / Analyst material
March 2022
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Any references to the future represent the management’s current best understanding. However the final outcome may differ from them.
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</table>
Fortum in brief

Key figures 2021
Sales EUR ~112 bn
Comparable EBITDA EUR 3.8 bn
Total assets EUR ~150 bn
Personnel 19,140

Main businesses

<table>
<thead>
<tr>
<th>Business</th>
<th>Sales (€)</th>
<th>Volume¹</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power</td>
<td>34.3 bn</td>
<td>188 TWh</td>
<td>47.1 GW</td>
</tr>
<tr>
<td>Gas</td>
<td>60.0 bn</td>
<td>370 TWh</td>
<td>7.4 bcm</td>
</tr>
<tr>
<td>Heat</td>
<td>1.2 bn</td>
<td>33 TWh</td>
<td>16.9 GW</td>
</tr>
</tbody>
</table>

¹) For Power - Power generation, for Gas - Long-term gas supply contracts and for Heat – Heat production
Strong position to drive the energy transition in Europe

3rd largest power generator in Europe and Russia

3rd largest CO$_2$-free power generator in Europe

3rd largest nuclear generator in Europe

4th largest gas storage operator in Europe
Fortum is the third largest CO₂-free power generator in Europe

Source: Company information, Fortum analyses, 2020 figures pro forma.
Fortum incl. Uniper. EPH incl. LEAG
Renewables and CO$_2$-free power generation capacity of Fortum

16.4 GW

- Hydro: 8.4 GW
- Wind & Solar: 3.4 GW
- Nuclear: 4.6 GW
Fortum is well positioned for the energy transition

- Third largest CO₂-free power generator in Europe with growing portfolio of wind and solar
- Significant provider of flexible hydro and gas-fired power generation
- Major provider and trader of gas for Europe’s energy and industrial customers
- Versatile portfolio of decarbonisation and environmental solutions
- Phase out or exit announced of ~8 GW coal-fired generation by 2030

Source: Fortum and Uniper financial reporting
Fortum’s CO₂-free power generation increased by ~60% as Uniper was consolidated as a subsidiary

Fortum*:
- CO₂-free generation 40%
- Gas-fired power generation 47%
- Share of coal-fired generation 13%
- Share of coal of sales revenue below 1%

* based on 2021 reported figures
Fortum is a forerunner in sustainability

Our purpose is to drive the change for a cleaner world. We are securing a fast and reliable transition to a carbon-neutral economy by providing customers and societies with clean energy and sustainable solutions. This way we deliver excellent shareholder value.

3rd largest CO₂-free generator in Europe
CO₂-free power generation, including renewable and nuclear power, was 75 TWh in 2021. 64% of power generation in Europe, and 40% of total power generation was CO₂-free.

Specific CO₂ emissions
Fortum’s specific CO₂ emissions from total energy production in Europe were 231 gCO₂/kWh in 2021, and 312 gCO₂/kWh globally.

Growing in solar and wind
Targeting a multi-gigawatt wind and solar portfolio, which is subject to the capital recycling business model. Targeting an indicative growth capex for EUR 3 billion for 2021-2025, of which 50-55% to renewables.

Signatory of TCFD
Fortum an official signatory of TCFD on March 2021

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### Fortum's power generation and heat production by source

#### Fortum’s power generation in 2021

- **Total power generation**: 188.1 TWh
- **Natural gas**: 47%
- **Nuclear power**: 19%
- **Hydropower**: 19%
- **Coal**: 13%
- **Waste <1%**
- **Wind, solar <1%**
- **Bio 1%**

#### Fortum’s heat production in 2021

- **Total heat production**: 33.4 TWh
- **Natural gas**: 59%
- **Waste**: 7%
- **Coal**: 25%
- **Oil 2%**
- **Heat pumps, electricity 3%**
- **Bio 4%**
- **Waste 7%**
Fortum key profitability drivers

Key market drivers:

**Power market**
- EU coal/nuclear capacity closures
- Growing share of renewables
- Importance of gas-fired generation
- Commodity prices
- Increasing interconnections between Nordics, Continental Europe, and the UK
- Weather conditions
- Increased demand from decarbonisation and electrification

**Gas market**
- Decreasing gas production in Europe
- More volatile gas demand
- Gas storage value
- Weather conditions

Fortum profitability drivers:

**European power generation**
- CO2-free generation: prices and volumes, hedging, PPAs
- Gas-fired generation: capturing the merchant upside
- Coal exit path, value from sites

**Gas midstream business**
- Long-term contracts and sales
- Gas storage, spread, and volatility
- Optimisation business, price volatility

**Russia power generation**
- Thermal CSAs gradually shifting to CCS scheme, selective modernisation projects
- Renewables capacity with higher CSAs
- Berezovskaya 3 (CSA)

**Growth based on strategy**

Fortum Group’s indicative EBITDA by business and market exposure

Indicative EBITDA split

- CO2-free power
- Gas-fired generation and other power
- Gas midstream
- Coal-fired generation and trading
- Other

Indicative market exposure

- Merchant
- Non-merchant
- Outright
- Spread and other
- Regulated
- Semi-regulated/contractual

Source: Fortum & Uniper financial reporting
PPA= Power Purchase Agreement
CSA= Capacity Supply Agreements
CCS= Competitive Capacity Selection (=KOM)
Our strategy – Driving the clean energy transition and delivering sustainable financial performance

For a cleaner world

Transform own operations to carbon neutral
- Phase out and exit coal
- Transform gas-fired generation towards clean gas

Strengthen and grow in CO₂-free power generation
- Supply significant flexible and reliable CO₂-free power generation
- Grow sizeable portfolio of renewables

Leverage strong position in gas to enable the energy transition
- Provide security of supply and flexibility in the power system
- Secure supply of gas for heat, power, and industrial processes

Partner with industrial and infrastructure customers
- Provide decarbonisation and environmental solutions
- Build on first-mover position in hydrogen

Value creation targets

Carbon neutral as a Group latest by 2050, in line with the Paris Agreement, and in our European generation latest by 2035

Sustainable financial performance through attractive value from investments, portfolio optimisation, and benchmark operations

Strong financial position and over time increasing dividend
Measuring success for Fortum

**Climate and environmental targets:**
- Group carbon neutral latest by 2050 (Scope 1, 2, 3)
- European generation carbon neutral latest by 2035 (Scope 1, 2)
- CO₂ emission reduction of at least 50% by 2030 in European generation (Scope 1, 2)
- Scope 3 GHG emissions reduction of at least 35% by 2035 (compared to base-year 2021)
- Biodiversity target: Number of major voluntary measures enhancing biodiversity ≥12 in 2021

**Financial targets:**
- Financial net debt/comparable EBITDA below 2x
- Hurdle rates for new investments
- Rating of at least BBB
- Stable, sustainable, and over time increasing dividend

**Shareholder value creation:**
- Portfolio optimisation and delivering on investments
- Realising financial benefits from the cooperation with Uniper

**Social targets:**
- Safety target: Total recordable incident frequency (TRIF) <1.0 in 2025
Strategic steps going forward

2014-2020
Major transformation
- Active portfolio rotation with focus on assets essential in the energy transition and with good cash flow
- Uniper acquisition
- Focus on aligned strategy
- Flat dividend

2021-2022
Balance sheet focus
- Step up in Group EBITDA
- Secure strong balance sheet
- Rating of at least BBB
- Details of strategy implementation and first investments
- Target to increase dividend

2023-2025
Growth in clean power and gas
- Growth in strategic areas
- Sustainable financial performance with benchmark operations
- Cooperation financial benefits
- Target to increase dividend
Indicative capital expenditure for growth investments in 2021-2025 – renewables and clean gas

~EUR 3 bn growth capex for 2021-2025

1. **Renewables**
   - On-shore wind and solar

2. **Hydrogen and clean gas**
   - Industrial decarbonisation solutions

3. **Environmental and security of supply solutions**
   - Waste-to-Energy, recycling, industrial and TSO services

4. **Other**
   - Venturing, innovation, digitalisation

Capital expenditure will depend on market conditions, asset rotation, and balance sheet strength
### Fortum’s gigawatt scale solar and wind power generation fleet

<table>
<thead>
<tr>
<th>PORTFOLIO</th>
<th>STATUS</th>
<th>CAPACITY, MW</th>
<th>FORTUM SHARE, MW</th>
<th>SUPPLY STARTS/STARTED</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FINLAND</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kalax</td>
<td>Operational</td>
<td>90</td>
<td>18</td>
<td>Q4 2020</td>
</tr>
<tr>
<td>Pjelax-Böle &amp; Kristinestad Norr</td>
<td>Under construction</td>
<td>380</td>
<td>228</td>
<td>Q2 2024 latest</td>
</tr>
<tr>
<td><strong>NORWAY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nygårdsfjellet</td>
<td>Operational</td>
<td>32</td>
<td>6</td>
<td>2006 and 2011</td>
</tr>
<tr>
<td>Åstadbåtheia</td>
<td>Operational</td>
<td>50</td>
<td>10</td>
<td>2018</td>
</tr>
<tr>
<td>Serfjord</td>
<td>Operational</td>
<td>99</td>
<td>20</td>
<td>Q4 2019- Q1 2021</td>
</tr>
<tr>
<td><strong>SWEDEN</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solberg</td>
<td>Operational</td>
<td>76</td>
<td>15</td>
<td>2018</td>
</tr>
<tr>
<td><strong>RUSSIA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bugulchansk</td>
<td>Operational</td>
<td>15</td>
<td>15</td>
<td>2016-2017</td>
</tr>
<tr>
<td>Pleshanovsk</td>
<td>Operational</td>
<td>10</td>
<td>10</td>
<td>2017</td>
</tr>
<tr>
<td>Grachevsk</td>
<td>Operational</td>
<td>10</td>
<td>10</td>
<td>2017</td>
</tr>
<tr>
<td>Kalmykia</td>
<td>Operational / Under construction</td>
<td>78+38</td>
<td>39+19</td>
<td>Q4 2021- H2 2022</td>
</tr>
<tr>
<td>Ulyanovsk</td>
<td>Operational</td>
<td>35</td>
<td>35</td>
<td>2019</td>
</tr>
<tr>
<td>Ulyanovsk 2</td>
<td>Operational</td>
<td>50</td>
<td>25</td>
<td>1.1.2019</td>
</tr>
<tr>
<td>Rostov</td>
<td>Operational</td>
<td>350+50</td>
<td>175+25</td>
<td>Q1 2020- Q4 2021</td>
</tr>
<tr>
<td>Kalmykia</td>
<td>Operational</td>
<td>200</td>
<td>100</td>
<td>1.12.2020</td>
</tr>
<tr>
<td>Astrakhan</td>
<td>Operational</td>
<td>340</td>
<td>170</td>
<td>Q4 2021</td>
</tr>
<tr>
<td>Volgograd</td>
<td>Operational / Under construction</td>
<td>88+17</td>
<td>44+9</td>
<td>Q4 2021- Q4 2022</td>
</tr>
<tr>
<td>Samara</td>
<td>Under construction</td>
<td>237</td>
<td>118</td>
<td>Q4 2022</td>
</tr>
<tr>
<td>GPB JV</td>
<td>Under development</td>
<td>491</td>
<td>246</td>
<td>2022-2023</td>
</tr>
<tr>
<td>Fortum</td>
<td>Under development</td>
<td>−1,400</td>
<td>−1,400</td>
<td>2025-2027</td>
</tr>
<tr>
<td><strong>INDIA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amrit</td>
<td>Operational</td>
<td>5</td>
<td>2</td>
<td>2012</td>
</tr>
<tr>
<td>Kapeli</td>
<td>Operational</td>
<td>10</td>
<td>4</td>
<td>2014</td>
</tr>
<tr>
<td>Bhadla</td>
<td>Operational</td>
<td>70</td>
<td>31</td>
<td>2017</td>
</tr>
<tr>
<td>Pavagada</td>
<td>Operational</td>
<td>100</td>
<td>44</td>
<td>2017</td>
</tr>
<tr>
<td>Karnataka</td>
<td>Under development</td>
<td>300+300</td>
<td>300+300</td>
<td>By 2024</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4,921</td>
<td>3,418</td>
<td></td>
</tr>
</tbody>
</table>

*) NOTE: Table numbers not accounting; tells the size of renewables projects. All not consolidated to Fortum capacities. All figures in MW and rounded to nearest megawatt. Additionally, target to invest 333 million euros in India solar and create partnership for operating assets. Under construction includes investment decisions made.

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**First focus markets**
- Wind power plants
- Solar power plants

**First focus markets**
- Wind power plants
- Solar power plants

Fortum's strategy

**First focus markets**
- Wind power plants
- Solar power plants

Fortum’s strategy

**First focus markets**
- Wind power plants
- Solar power plants

Fortum’s strategy

**First focus markets**
- Wind power plants
- Solar power plants
Strong commitment to maintain rating of at least BBB

Ambition is to preserve financial flexibility and good access to capital markets.
Fortum will carefully manage its balance sheet going forward focusing on
• Profitability
• Cash flow optimisation
• Capital expenditure prioritisation
• Portfolio optimisation

Long term leverage target:
Financial net debt/comparable EBITDA <2x

<table>
<thead>
<tr>
<th>RATING AGENCY</th>
<th>CREDIT RATING</th>
<th>VALID SINCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard &amp; Poor’s</td>
<td>BBB/Outlook Stable</td>
<td>5 July 2021</td>
</tr>
<tr>
<td>Fitch Ratings</td>
<td>BBB/Outlook Stable</td>
<td>30 June 2021</td>
</tr>
</tbody>
</table>
Return targets for new investments:

WACC+ hurdle rate:
+100 bps for green investments
+200 bps for other investments

The requirement might be higher depending on, e.g., business model and technology and will be evaluated case-by-case.

Group 2022 capital expenditure, including maintenance and excluding acquisitions, is estimated to be EUR 1.5 billion

- Maintenance of EUR ~800 million
- Growth of EUR ~700 million

~EUR 3 bn growth capex for 2021-2025

Capital expenditure will depend on market conditions, asset rotation, and balance sheet strength.
Fortum and Uniper cooperation estimated to deliver significant financial benefits

- Positive cash impact on a consolidated group basis is estimated to be ~EUR 100 million annually
- > EUR 50 million of these annual benefits gradually materialising by the end of 2023 and reaching full annual impact in 2025
- Approx. 450 people have been involved in various work streams

Cooperation benefits focus on monetary, safety, and environmental actions
Europe committed to be a forerunner in reducing GHG emissions across all sectors

- EU is tightening both its 2030 and 2050 emissions targets
  - Requires emission reductions in all sectors, especially residential & commercial, transport, and industry
- Sector coupling – clean electricity and gas enable other sectors to decarbonise
  - Emissions from some industrial and heavy transport sectors are difficult to abate by electrification
- Successful energy transition must balance
  - Sustainability
  - Affordability
  - Security of supply

Source: European Environment Agency
LULUCF: Land use, land-use change, and forestry
Energy transition will increase demand for electricity and hydrogen

**Electricity consumption in Europe (TWh)**

- 2020: 2,836
- 2030: 2,836 + 133%
- 2040: 2,836 + 133%
- 2050: 2,836 + 133% + 6,613

**Clean hydrogen consumption in Europe (TWh)**

- 2020: 2,951
- 2030: 2,951 + 128%
- 2040: 2,951 + 128%
- 2050: 2,951 + 128% + 2,951

Source: IHS Markit Net Zero Carbon Europe scenario
Nordic, Baltic, Continental and UK markets are integrating – Interconnection capacity growing to over 13 GW by mid-2024

- Several **new interconnectors** have started operation, and more are under construction or decided to be built.
- New interconnections will increase the **Nordic export capacity** from the current 10.7 GW to over 13 GW by summer 2024.

Years in the chart above refer to a snapshot of 1st of January each year.
Source: Fortum Market Intelligence
Volatility and uncertainty in the European power market increases the value of flexible assets

- Intermittent renewables
- Nuclear and coal closures
- Increasing role of gas
- Supply-demand balance
- Increased interconnection between Nordics and Continent
- Commodity and CO₂ prices
- Weather conditions
Own transformation – coal exit to reach carbon neutrality by 2035 in European generation

Carbon neutral in our European generation by 2035 at the latest
- Current trajectory to reduce CO₂ emissions in our European generation by at least 50%\(^1\) by 2030
- Exit ~6 GW of coal capacity by end of 2025
- Aim to decarbonise gas-fired power generation and transit to clean gas over time

Carbon neutral as a group by 2050 at the latest in line with the Paris Agreement
- Reduction of the Group’s coal-fired generation capacity by >50% to ~5 GW by the end of 2025
- Over time transform the Russian business portfolio by reducing the fossil exposure

**European generation CO₂ net emissions:**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2030</th>
<th>2035</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO₂ net emissions</td>
<td>100%</td>
<td>-50%</td>
<td>Carbon neutral</td>
</tr>
</tbody>
</table>

\(^1\) Base year 2019

\(^2\) Datteln4 decommissioning as defined in the German coal-exit law.

The strategic review of Fortum’s Polish district heating business was discontinued in March 2022. Fortum will evaluate alternatives for further decarbonisation of these assets. At the end of 2021, Fortum’s coal based capacity in Poland was 0.1 GW.
Fortum Group’s Russian businesses

CEO Statement:

- We are deeply concerned about the war in Ukraine. There is no justification for it.
- Whilst operations continue to run as normal, including gas supplies, continuing with business as usual is not an option.
- For now, Fortum has stopped all new investment projects in Russia until further notice and will continue to reduce thermal exposure in Russia.
- Fortum is complying with all applicable laws and regulations, including sanctions, and is preparing for various scenarios.
- Fortum can support security of supply in a decarbonising Europe.

Fortum Group* operations in Russia

<table>
<thead>
<tr>
<th>Fortum Russia – business description 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
</tr>
<tr>
<td>Power plants</td>
</tr>
<tr>
<td>Power generation</td>
</tr>
<tr>
<td>Heat production</td>
</tr>
<tr>
<td>Uniper gas midstream</td>
</tr>
<tr>
<td>NordStream2 project</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fortum Russia – financials 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russia total assets book value</td>
</tr>
<tr>
<td>Comparable Operating Profit</td>
</tr>
</tbody>
</table>

* Including Uniper
Strong performance in an exceptional commodity market enables highest comparable KPIs in Fortum’s history

**FY**

Higher achieved power prices and higher generation volumes with strong physical optimisation

Uniper fully consolidated since Q2 2020 with strong contribution from gas midstream

Dividend proposal of 1.14 EUR/s

**Q4**

Extraordinary market fundamentals and strong performance across the group

---

1. Uniper full consolidation since Q2 2020.
2. Comp. EPS FY 2020 also includes Uniper Q4 2019 result of EUR 0.18 as an associated company.
3. Net cash from operating activities
4. Financial net debt to comparable EBITDA
Energy commodities driving power prices

Energy commodities reaching new record highs

- Commodity prices have been driving up power prices both on the Continent and in the Nordics to unprecedented highs.
- Gas price is clearly the main driver driven by geopolitical uncertainties.
- Situation challenges consumers, politics and risk management imposes liquidity need to utilities.
- Nordic-German spread has grown while it is additionally subject to hydro conditions, growing renewable supply and interconnector capacity.

Source: Refinitiv, Bloomberg
Daily market prices 1 March 2022; 2022-2023 future quotations

The German daily power price was 432 EUR/MWh on 21 Dec 2021 and 417 EUR/MWh on 22 Dec 2021.
Fortum Group is well positioned to drive the energy transition and to navigate through the turbulence

**Political will to accelerate the energy transition**
- Global warming
- Extreme weather events
- Desired 2030 coal-exit in Germany
- EU taxonomy

**Structural increase in volatility**
- Weather dependence of RES and increasing share of intermittent capacity
- Volatility increase in price/volume for balancing fuels

**Elevated price environment**
- Supply imbalances
- Long-term negative investment trend in fossil fuels & generation
- Cost inflation

**Geopolitical tensions**
- Sanction risks
- Potential financial implications

**Sustainability**
- is the license to operate

**Security of supply**
- is back on top of the agenda

**Affordability**
- is jeopardised

**Uncertainty continues**

**Third largest CO₂-free generator in Europe**
+ growing portfolio of wind & solar

**Significant provider of flexibility**
- (hydro & gas)

**Major power generator**
+ provider/trader of gas

**Strong balance sheet**
+ resilient earnings

Elevated price environment
- Weather dependence of RES and increasing share of intermittent capacity
- Volatility increase in price/volume for balancing fuels

Security of supply
- is back on top of the agenda

Affordability
- is jeopardised

Uncertainty continues

**Fortum Group**

For a cleaner world
Fortum is executing its strategy

Transform own operations to carbon neutral

- Carbon neutral as Group latest by 2050 in line with Paris Agreement
- European Generation carbon neutral latest by 2035
- Scope 3 indirect emissions -35% by 2035 at the latest, compared to the base year 2021

Strengthen and grow in CO2-free power generation

Supply significant reliable CO2-free power
- Nuclear capacity addition and lifetime expansion
  -Okiluoto 3 adding 0.4GW by 2022
  -Lovisa lifetime extension
  -Support of SMR technology development

Growing a sizeable renewables portfolio
- 2.6 GW of new projects disclosed
  -Nordics: 0.4GW Wind PPA backed cooperation with Helen (40%) to be operational by 2024
  -India: 0.6GW solar PPA backed to be commissioned by 2024
  -Russia: 1.4GW Wind CSA backed to be commissioned during the years 2025-2027

Leverage strong position in gas to enable the energy transition

Provide security of supply and flexibility
- Providing grid stability
  -Killingholm, Grain TSO services
  -Scholven 3 CHP for industrials online 2022
  -Irscing 6 300MW for TSO online 2022

Coal-exit ahead of plan in Europe
- Accelerated coal-exit of coal-fired capacity in Europe

Growing a sizeable renewables portfolio
- 2.6 GW of new projects disclosed
  -Nordics: 0.4GW Wind PPA backed cooperation with Helen (40%) to be operational by 2024
  -India: 0.6GW solar PPA backed to be commissioned by 2024
  -Russia: 1.4GW Wind CSA backed to be commissioned during the years 2025-2027

Build on first-mover position in hydrogen
- 1 GW of electrolyser capacity targeted for 2030
  -1 GW of electrolyser capacity targeted until 2030
  -Series of cooperation agreements for the supply of green H2 and green fuel
  -~370TWh gas midstream portfolio with decarb upside
Strengthen and grow in CO$_2$-free power generation
Loviisa lifetime extension

Fortum’s fully-owned Loviisa nuclear power plant lifetime extension

- **Reliable backbone of the energy transition**
  - Extension potential of operations until 2050 offering up to 170 TWh of additional CO$_2$ free power

- **Competitive economics**
  - Very reasonable addition of nuclear supply with limited capital expenditure of estimated approx. EUR 1bn

- **Taxonomy aligned**
  - Upgrade project in line with taxonomy powering the energy transition

- **Solution for waste**
  - Finland has a solution for nuclear waste

- **Public backing**
  - Fortum is the local reliable operator for decades

---

2021: 10% of Finland’s electricity generation
2021: 92.9% load factor
2017-21: EUR 325 million invested
315 TWh CO$_2$ free power generated so far
Bernhard Günther
CFO
## Key financials

<table>
<thead>
<tr>
<th>MEUR</th>
<th>IV/2021</th>
<th>IV/2020</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>50,079</td>
<td>21,279</td>
<td>112,400</td>
<td>49,015</td>
</tr>
<tr>
<td>Comparable EBITDA</td>
<td>1,416</td>
<td>1,247</td>
<td>3,817</td>
<td>2,434</td>
</tr>
<tr>
<td>Comparable operating profit</td>
<td>1,070</td>
<td>928</td>
<td>2,536</td>
<td>1,344</td>
</tr>
<tr>
<td>Comparable share of profits of associates and joint ventures</td>
<td>27</td>
<td>63</td>
<td>154</td>
<td>656</td>
</tr>
<tr>
<td>Comparable profit before income taxes</td>
<td>1,054</td>
<td>969</td>
<td>2,651</td>
<td>1,897</td>
</tr>
<tr>
<td>Comparable net profit</td>
<td>693</td>
<td>610</td>
<td>1,778</td>
<td>1,483</td>
</tr>
<tr>
<td>Comparable EPS</td>
<td>0.78</td>
<td>0.69</td>
<td>2.00</td>
<td>1.67</td>
</tr>
<tr>
<td>Net cash from operating activities</td>
<td>1,576</td>
<td>763</td>
<td>4,970</td>
<td>2,555</td>
</tr>
<tr>
<td>Financial net debt / Comp. EBITDA</td>
<td>0.2</td>
<td>2.9</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Extraordinary strong financial KPIs
- Comparable EBITDA on record high level of EUR 3.8 billion
- Comparable EPS at EUR 2.00
- Strong credit metrics with Financial net debt / Comp. EBITDA of 0.2x clearly below target level of <2x following latest divestments
- S&P confirmed Fortum’s and Uniper’s BBB rating with stable outlook
2021, almost all segments improved – volumes and prices contributed

### Generation
higher volumes and achieved power price with strong physical optimisation

### Russia
one-off effect and higher power prices offsetting negative FX and declining CSAs

### City Solutions
higher power and heat sales

### Consumer Solutions
challenging Q4 and negative customer development

### Uniper
good underlying performance, change mainly related to consolidation of Uniper from Q2 2020
**P&L - reported IFRS figures dominated by changes in fair values**

**Strong increase in sales following the increase in commodity prices**

Items affecting comparability includes EUR -5.4bn changes in fair values of derivatives hedging future earnings and EUR 2.7bn capital gains (Share in Stockholm Exergi and Baltic district heat sale)

In addition to interest expense, net finance costs include Uniper’s interest income and positive nuclear fund adjustments

**MEUR**

<table>
<thead>
<tr>
<th></th>
<th>IV/2021</th>
<th>IV/2020</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>50,079</td>
<td>21,279</td>
<td>112,400</td>
<td>49,015</td>
</tr>
<tr>
<td>Materials and services</td>
<td>-48,003</td>
<td>-19,127</td>
<td>-105,170</td>
<td>-44,298</td>
</tr>
<tr>
<td>Other</td>
<td>-659</td>
<td>-904</td>
<td>-3,413</td>
<td>-2,283</td>
</tr>
<tr>
<td>Depreciations and amortisation</td>
<td>-346</td>
<td>-320</td>
<td>-1,281</td>
<td>-1,090</td>
</tr>
<tr>
<td><strong>Comparable operating profit</strong></td>
<td><strong>1,070</strong></td>
<td><strong>928</strong></td>
<td><strong>2,536</strong></td>
<td><strong>1,344</strong></td>
</tr>
<tr>
<td>Items affecting comparability</td>
<td>942</td>
<td>-470</td>
<td>-3,124</td>
<td>255</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td><strong>2,012</strong></td>
<td><strong>458</strong></td>
<td><strong>-588</strong></td>
<td><strong>1,599</strong></td>
</tr>
<tr>
<td>Share of profits/loss of associates and joint ventures</td>
<td>40</td>
<td>113</td>
<td>192</td>
<td>656</td>
</tr>
<tr>
<td>Finance costs - net</td>
<td>76</td>
<td>-18</td>
<td>107</td>
<td>-56</td>
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<tr>
<td><strong>Profit before income tax</strong></td>
<td><strong>2,128</strong></td>
<td><strong>554</strong></td>
<td><strong>-289</strong></td>
<td><strong>2,199</strong></td>
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<tr>
<td>Income tax expense</td>
<td>-1,125</td>
<td>-142</td>
<td>175</td>
<td>-344</td>
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<tr>
<td><strong>Profit for the period</strong></td>
<td><strong>1,003</strong></td>
<td><strong>411</strong></td>
<td><strong>-114</strong></td>
<td><strong>1,855</strong></td>
</tr>
<tr>
<td>Attr. to owners of parent</td>
<td>842</td>
<td>379</td>
<td>739</td>
<td>1,823</td>
</tr>
<tr>
<td>Attr. to non-controlling interest</td>
<td>162</td>
<td>31</td>
<td>-852</td>
<td>32</td>
</tr>
</tbody>
</table>

(Uniper’s income statement consolidated as of Q2 2020)
Balance sheet tripled due to derivative financial instruments

<table>
<thead>
<tr>
<th></th>
<th>MEUR</th>
<th>31-Dec-21</th>
<th>31-Dec-20</th>
<th>MEUR</th>
<th>31-Dec-21</th>
<th>31-Dec-20</th>
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</thead>
<tbody>
<tr>
<td>Property, plant and</td>
<td></td>
<td>19,049</td>
<td>19,367</td>
<td></td>
<td>13,665</td>
<td>15,577</td>
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<tr>
<td>equipment and right-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>of-use assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Derivative financial</td>
<td>82,488</td>
<td>10,477</td>
<td>88,604</td>
<td>10,594</td>
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<td></td>
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<tr>
<td>instruments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>2,167</td>
<td>2,268</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Participations in</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>associates and JVs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Shares in Nuclear</td>
<td>3,515</td>
<td>3,445</td>
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<td></td>
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<tr>
<td>Waste Funds</td>
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</tr>
<tr>
<td>Interest-bearing</td>
<td>3,107</td>
<td>3,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>receivables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>2,275</td>
<td>1,936</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Margin receivables</td>
<td>9,163</td>
<td>1,132</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other assets including</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>trade receivables</td>
<td>17,736</td>
<td>10,630</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liquid funds</td>
<td>7,592</td>
<td>2,308</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>108</td>
<td>335</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>149,661</td>
<td>57,810</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Financial derivatives substantially up following the strong increase in commodity prices and high portfolio churn

Margin receivables up – but also margin liabilities based on higher prices

Liquid funds increase by EUR 5.28bn following divestments and the drawing of the RCF

Interest-bearing liabilities up as a consequence of operational liquidity measures

Total equity + liabilities | 149,661 | 57,810 |
Total equity | 13,665  | 15,577 |
Interest-bearing liabilities | 17,220  | 10,662 |
Nuclear provisions | 3,891   | 3,866  |
Other provisions | 6,407   | 4,232  |
Pension obligations, net | 1,190   | 1,520  |
Other | 1,224   | 1,296  |
## Strong cash flow management to secure financial flexibility

<table>
<thead>
<tr>
<th>EUR million</th>
<th>IV/2021</th>
<th>IV/2020</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comparable EBITDA</td>
<td>1,416</td>
<td>1,247</td>
<td>3,817</td>
<td>2,434</td>
</tr>
<tr>
<td>Non-cash and other items</td>
<td>940</td>
<td>282</td>
<td>1,506</td>
<td>394</td>
</tr>
<tr>
<td>Interest received</td>
<td>27</td>
<td>14</td>
<td>75</td>
<td>46</td>
</tr>
<tr>
<td>Interest paid</td>
<td>-39</td>
<td>-51</td>
<td>-202</td>
<td>-208</td>
</tr>
<tr>
<td>Dividends received</td>
<td>23</td>
<td>29</td>
<td>124</td>
<td>121</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>-165</td>
<td>-33</td>
<td>-493</td>
<td>-267</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-626</td>
<td>-725</td>
<td>144</td>
<td>35</td>
</tr>
</tbody>
</table>

**Net cash from operating activities**

<table>
<thead>
<tr>
<th>EUR million</th>
<th>1,576</th>
<th>763</th>
<th>4,970</th>
<th>2,555</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital expenditures</td>
<td>-329</td>
<td>-419</td>
<td>-1,178</td>
<td>-1,101</td>
</tr>
<tr>
<td>Acquisitions of shares</td>
<td>-24</td>
<td>-158</td>
<td>-294</td>
<td>-1,801</td>
</tr>
<tr>
<td>Proceeds from sales of property, plant and equipment</td>
<td>2</td>
<td>5</td>
<td>20</td>
<td>16</td>
</tr>
<tr>
<td>Divestments of shares and capital returns</td>
<td>115</td>
<td>21</td>
<td>3,863</td>
<td>1,244</td>
</tr>
<tr>
<td>Shareholder loans to associated companies and joint ventures</td>
<td>15</td>
<td>-4</td>
<td>-8</td>
<td>-44</td>
</tr>
<tr>
<td>Change in margin receivables</td>
<td>-2,723</td>
<td>-566</td>
<td>-7,964</td>
<td>-552</td>
</tr>
<tr>
<td>Change in other interest-bearing receivables</td>
<td>-65</td>
<td>27</td>
<td>-166</td>
<td>98</td>
</tr>
<tr>
<td>Net cash from/used in investing activities</td>
<td>-3,009</td>
<td>-1,093</td>
<td>-5,727</td>
<td>-2,140</td>
</tr>
</tbody>
</table>

**Sales proceeds** from divestments of 50% ownership in Stockholm Exergi and from Baltic district heating

**Margin receivables** increased due to higher commodity prices covered...

...by additional **financing**...

...and **increase** in **margin liabilities**

**Net cash from/used in financing activities**

<table>
<thead>
<tr>
<th>EUR million</th>
<th>2,783</th>
<th>155</th>
<th>6,013</th>
<th>505</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from long-term liabilities</td>
<td>3,297</td>
<td>93</td>
<td>3,439</td>
<td>2,569</td>
</tr>
<tr>
<td>Payments of long-term liabilities</td>
<td>-1,619</td>
<td>-40</td>
<td>-2,315</td>
<td>-507</td>
</tr>
<tr>
<td>Change in short-term liabilities</td>
<td>2,794</td>
<td>317</td>
<td>5,364</td>
<td>207</td>
</tr>
<tr>
<td>Dividends paid to the owners of the parent</td>
<td>0</td>
<td>0</td>
<td>-995</td>
<td>-977</td>
</tr>
<tr>
<td>Dividends paid to non-controlling interests</td>
<td>-26</td>
<td>-13</td>
<td>-171</td>
<td>-160</td>
</tr>
<tr>
<td>Change in margin liabilities</td>
<td>-1,709</td>
<td>-193</td>
<td>649</td>
<td>-623</td>
</tr>
<tr>
<td>Other financing items</td>
<td>46</td>
<td>-5</td>
<td>43</td>
<td>-3</td>
</tr>
</tbody>
</table>

**Net increase(+)/decrease(-) in liquid funds**

| EUR million | 1,350 | -172 | 5,256 | 920 |

*fortum
For a cleaner world*
Leverage below target and good access to debt capital market

Solid credit metrics

- **S&P Global Ratings**: 'BBB' long-term issuer credit rating, stable outlook
- **Fitch Ratings**: 'BBB' long-term issuer credit rating, stable outlook

**Target ratio:**
< 2x Financial net debt / Comp. EBITDA

**Fortum's objective:**
Maintain solid investment grade rating of at least BBB to maintain financial strength, preserve financial flexibility, and good access to capital.

**Total loans EUR 16,144 million (excl. lease)**
- Average interest for Fortum Group loan portfolio including derivatives hedging financial net was 1.3% (2020: 1.5%).
- EUR 925 million (2020: 634) was swapped to RUB with average interest 8.3% (2020: 6.2%) including cost for hedging

**Liquid funds of EUR 7,592 million**
Undrawn credit facilities of EUR 400 million

*) After the closing date, in January 2022, Uniper signed a EUR 2,000 million short-term revolving credit facility with German state-owned KfW-Bank (maturing in April 2022) and Fortum signed a EUR 3,000 million revolving credit facility (maturing in April 2022 with extension option of three months). These facilities have not been used. Maturities in 2022 also include liabilities of EUR 736 million with no contractual due date.

**) Uniper's drawn revolving credit facility of EUR 1,800 million has an ultimate contractual maturity in 2025 and is consequently shown here for the year 2025. However, this facility is classified as current liability on the balance sheet due to planned earlier repayment.
Outlook

Hedging

**Generation Nordic hedges:**
- For 2022: 75% hedged at EUR 34 per MWh (Q3: 65% at EUR 32)
- For 2023: 50% hedged at EUR 31 per MWh (Q3: 40% at EUR 31)

**Uniper Nordic hedges:**
- For 2022: 80% hedged at EUR 18 per MWh (Q3: 85% at EUR 22)
- For 2023: 60% hedged at EUR 18 per MWh (Q3: 55% at EUR 21)
- For 2024: 20% hedged at EUR 30 per MWh

**2022 Estimated annual capital expenditure,** including maintenance and excluding acquisitions, of appr. EUR 1,500 million of which maintenance capital expenditure is EUR 800 million

**Tax guidance for 2022:**
The comparable effective income tax rate for Fortum is estimated to be in the range of 22-25%.
Q&A
**Higher power prices**

**System spot power price, Nord Pool**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Price (EUR/MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4/2020</td>
<td>13.8</td>
</tr>
<tr>
<td>Q1/2021</td>
<td>42.1</td>
</tr>
<tr>
<td>Q2/2021</td>
<td>41.9</td>
</tr>
<tr>
<td>Q3/2021</td>
<td>68.3</td>
</tr>
<tr>
<td>Q4/2021</td>
<td>96.2</td>
</tr>
</tbody>
</table>

**Achieved power price, Generation segment**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Price (EUR/MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4/2020</td>
<td>35.2</td>
</tr>
<tr>
<td>Q1/2021</td>
<td>37.2</td>
</tr>
<tr>
<td>Q2/2021</td>
<td>38.1</td>
</tr>
<tr>
<td>Q3/2021</td>
<td>43.7</td>
</tr>
<tr>
<td>Q4/2021</td>
<td>51.9</td>
</tr>
</tbody>
</table>

**Spot power price, Urals hub**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Price (RUB/MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4/2020</td>
<td>1,074</td>
</tr>
<tr>
<td>Q1/2021</td>
<td>1,158</td>
</tr>
<tr>
<td>Q2/2021</td>
<td>1,156</td>
</tr>
<tr>
<td>Q3/2021</td>
<td>1,304</td>
</tr>
<tr>
<td>Q4/2021</td>
<td>1,266</td>
</tr>
</tbody>
</table>

**Achieved power price, Russia segment**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Price (EUR/MWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4/2020</td>
<td>22.5</td>
</tr>
<tr>
<td>Q1/2021</td>
<td>21.1</td>
</tr>
<tr>
<td>Q2/2021</td>
<td>22.5</td>
</tr>
<tr>
<td>Q3/2021</td>
<td>23.9</td>
</tr>
<tr>
<td>Q4/2021</td>
<td>25.4</td>
</tr>
</tbody>
</table>

*Achieved power price (includes capacity payments) in RUB increased 3%.

*Does not include Uniper’s subsidiary Unipro.

**Significantly higher spot power prices in the Nordics**

**Higher achieved power prices**

**Russian power demand recovering with increasing electricity prices**

**Russian achieved price increased**
Nord Pool system price driven to new price record

- Q4 precipitation and inflows realised clearly above normal, breaking the trend of previous quarters in 2021.
- Compared to long-term average, Nordic water reservoirs increased during Q4 from -18 TWh to -11 TWh. The utilisation of hydropower remained high amid strong power prices and exports.
- For the whole, 2021 water reservoirs decreased from +21 TWh to -11 TWh, compared to long-term average. This was caused by below normal precipitation combined with high utilisation of hydropower.
- Nord Pool system spot price made a new price record, reaching EUR 96 (14) per MWh in Q4 2021.
- Nordic spot price was increasingly supported by growing exports and Continental European power prices, which in turn are driven by exceptional price levels in gas and carbon prices.
- Recent increases in interconnector capacity and below normal water reservoir levels have contributed to the strong growth in Nordic power price throughout 2021.

The Nordic daily power price was 310 EUR/MWh on 21 Dec 2021.
Generation:
Higher achieved power prices

Q4 2021 vs. Q4 2020
- Comparable operating profit more than doubled mainly due to
  - Higher achieved power prices of EUR 51.9, +16.7 per MWh
  - Significantly increased nuclear volumes due to higher availability
- Higher achieved power price
  - Higher spot prices and successful physical optimisation

FY 2021 vs. FY 2020
- Comparable operating profit more than doubled mainly due to
  - Higher achieved prices of EUR 42.8, +8.0 per MWh,
  - Increased hydro and nuclear volumes
- Higher achieved power price
  - Successful physical and financial optimisation and higher spot prices
Russia: Solid underlying performance

Q4 2021 vs. Q4 2020

- Comparable operating profit up by 5% to EUR 80 million
  - Slight negative effect of changes in CSA payments, lower bond yield, and higher power prices
  - Impact of the Russian rouble exchange rate was EUR 6 million
  - Russian power demand recovering with increasing electricity prices and increased achieved price

FY 2021 vs. FY 2020

- Comparable operating profit increased by 4%
  - EUR 17 million positive effect of the sale of the 116-MW solar project to the Fortum-RDIF JV
  - Higher power prices, slight negative effect of changes in CSA payments, lower bond yield
  - Change in the Russian rouble exchange rate was EUR -14 million

CSA = Capacity Supply Agreement
City Solutions: Performance improved

Q4 2021 vs. Q4 2020

• Comparable operating profit improved as a result of clearly higher heat sales volumes and higher prices in all heating areas
• This excludes the Baltics due to the divestment (EUR –15 million)
• Almost all business areas improved its result from the previous year, which also included the tax-exempt capital gains of EUR 11 million from the sale of the 500-MW solar plants in Pavagada and Rajasthan

FY 2021 vs. FY 2020

• Higher heat sales volumes, higher power prices, and higher Norwegian heat prices
• Recorded tax-exempt capital gains of EUR 2.6 billion following the sale of Stockholm Exergi and the sale of the Baltic district heating business in Q3
• Strategic review of the Polish DH business discontinued
Consumer Solutions: Challenging market environment

Q4 2021 vs. Q4 2020

- Negative impacted by higher electricity purchase costs.
- The cold weather in the Nordics during December resulted in higher than expected electricity consumption requiring additional electricity volumes at prices that were clearly higher than the agreed customer prices, resulting in higher electricity purchase costs and negative margins

FY 2021 vs. FY 2020

- Negative impacted by higher electricity purchase costs.
- Challenging market environment combined with tough competition in the Nordic market continued
- Negative customer development
- Strategic review of the business discontinued
Uniper: Solid underlying performance

Q4 2021 vs. Q4 2020

• The Global Commodities business’ result slightly down.
• Negative effects in Global Commodities’ the trading of power and carbon business and rescheduled LNG deliveries shifting earnings into 2022 were almost compensated by an intra-year CO2 emission rights phasing effect that shifted margins from the previous quarters to the fourth quarter of 2021.

FY 2021 vs. FY 2020

• The main reason for the change in cumulative figures, and vs. 2020, is the consolidation of Uniper into the income statement.
• European generation with higher volumes (Datteln 4, Irsching 4/5, higher availability in nuclear) offset by nuclear provisions in Q4
• Uniper’s gas business benefitted from the extraordinary market developments with volatile and rising prices despite additional capital requirements offset by negative contribution from carbon and power trading
Appendices
Most West European countries to exit coal by 2030

- Sweden and Austria closed their last coal plants in 2020, Portugal in 2021
- France is committed to a phase out by 2022*)
- UK to end coal-fired power generation in 2024
- Italy and Ireland have both announced phase-out by 2025, also Hungary and Greece to close their last plants by then
- Netherlands and Finland have 2029 as regulated phase-out year
- Denmark and Spain committed to a 2030 exit, Spanish operators however already underway to close last units by mid-2020s
- Czechia and Slovenia plan phase-outs by 2033**)
- Germany to phase out coal at latest 2038, ideally however already 2030**)
- Poland to phase out its coal by 2049

*) Limited use beyond allowed
**) As per current government programmes
Sources: Europe Beyond Coal, national sources
Decarbonisation requires other sectors to join

- The EU has agreed to increase the 2030 total emissions reduction target to 55% vs 1990.
- In July 2021, EU Commission put forward a "Fit for 55" package, laying out the roadmap for achieving the new ambitious climate target.
- Proposed EU ETS revisions widen its scope, tighten supply and push for faster decarbonisation:
  - Emissions reduction target increased from 43% to 61% from 2005 level
  - EU ETS scope to expand and include maritime sector
  - Higher LRF (4.2% instead of 2.2%) combined with cap rebasing
  - Free allocation to be gradually phased out
  - Higher MSR intake rate (24%) and thresholds (400-833) maintained
  - Cross Border Adjustment Mechanism (CBAM) proposed
- Proposed revisions will have to go through the EU legislative process and are expected to take effect not earlier than late 2022 or 2023.

Abatement cost ranges formed of typical values found in industry analyses. Sources: ICIS, Refinitiv, EU Commission.
Fortum major player in power, gas and heat

**Power generation**

Largest generators in Europe and Russia, 2020 (TWh)

<table>
<thead>
<tr>
<th>Company</th>
<th>TWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDF</td>
<td></td>
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<tr>
<td>Rosenergoatom</td>
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<tr>
<td>Fortum</td>
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<tr>
<td>RWE</td>
<td></td>
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<tr>
<td>Gazprom</td>
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<tr>
<td>Enel</td>
<td></td>
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<tr>
<td>Inter RAO UES</td>
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<tr>
<td>Vattenfall</td>
<td></td>
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<tr>
<td>ENGIE</td>
<td></td>
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<tr>
<td>En+</td>
<td></td>
</tr>
<tr>
<td>EPN</td>
<td></td>
</tr>
<tr>
<td>NNEGC EnergyGaz.</td>
<td></td>
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<tr>
<td>Iberdrola</td>
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<tr>
<td>Sibgenco</td>
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<tr>
<td>Stalcraft</td>
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<tr>
<td>CEZ</td>
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<tr>
<td>PGE</td>
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<tr>
<td>T Plus</td>
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<tr>
<td>EDP</td>
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<tr>
<td>ENBW</td>
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<td>EPS</td>
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<tr>
<td>Verbund</td>
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<td>Axpo</td>
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<td>SSE</td>
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<td>DTEK</td>
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<tr>
<td>Naturgy</td>
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<tr>
<td>E.ON</td>
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<tr>
<td>Lukoil</td>
<td></td>
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<tr>
<td>DEI</td>
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</tbody>
</table>

**Gas**

Largest European gas storage operators, 2021 (TWh)

<table>
<thead>
<tr>
<th>Company</th>
<th>TWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Astora</td>
<td></td>
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<tr>
<td>Hungarian Gas Storage</td>
<td></td>
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<tr>
<td>TAQA Gas Storage</td>
<td></td>
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<tr>
<td>RWE Gas Storage</td>
<td></td>
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<tr>
<td>NAM</td>
<td></td>
</tr>
<tr>
<td>Uniper Energy Storage</td>
<td></td>
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<tr>
<td>Enagas</td>
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<tr>
<td>Gas Storage Poland</td>
<td></td>
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<tr>
<td>TERÉGA</td>
<td></td>
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<tr>
<td>Depogaz Ploiești</td>
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</tr>
<tr>
<td>OMV Gas Storage</td>
<td></td>
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<tr>
<td>VNG Gasspeicher</td>
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<tr>
<td>Conexus Baltic Grid</td>
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<tr>
<td>EWE Gasspeicher</td>
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<tr>
<td>GSA</td>
<td></td>
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<tr>
<td>Hexum</td>
<td></td>
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<tr>
<td>RAG Energy Storage</td>
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</tbody>
</table>

**Heat production**

Largest global producers, 2020 (TWh)

<table>
<thead>
<tr>
<th>Company</th>
<th>TWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gazprom</td>
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<tr>
<td>T Plus</td>
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<tr>
<td>Sibgenco</td>
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<tr>
<td>Inter RAO UES</td>
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<tr>
<td>Veolia</td>
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<tr>
<td>RusHydro</td>
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<tr>
<td>Fortum</td>
<td></td>
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<tr>
<td>EDF</td>
<td></td>
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<tr>
<td>Quadra</td>
<td></td>
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<tr>
<td>KDHC</td>
<td></td>
</tr>
<tr>
<td>TGC-2</td>
<td></td>
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<tr>
<td>Minskenergo</td>
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<tr>
<td>Vattenfall</td>
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<td>PGE</td>
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<tr>
<td>Lukoil</td>
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<td>PGNI</td>
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<tr>
<td>Tatenergo</td>
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<tr>
<td>E.ON</td>
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<tr>
<td>Kyivteploenergo</td>
<td></td>
</tr>
<tr>
<td>E.PH</td>
<td></td>
</tr>
<tr>
<td>TGC-14</td>
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<tr>
<td>Ørsted</td>
<td></td>
</tr>
<tr>
<td>CEZ</td>
<td></td>
</tr>
<tr>
<td>Stockholm Exergi</td>
<td></td>
</tr>
<tr>
<td>Helen</td>
<td></td>
</tr>
</tbody>
</table>

Source: Company information, Fortum analyses, 2020 figures pro forma. GSE, figures as of July 2021

Fortum incl. Uniper. EPH incl. LEAG. No data from China.
Wholesale power prices

Source: Nord Pool, Bloomberg Finance LP, ATS, NP "Market Council", Fortum

* Including weighted average capacity price

Source: Nord Pool, Bloomberg Finance LP, ATS, NP "Market Council", Fortum

Forwards 28 February 2022
Rolling 7-day average spot price until 1 March 2022

* Including weighted average capacity price
Nordic year forwards

Source: Nasdaq Commodities, Bloomberg
German and Nordic forward spread

Spot price
- Continental power followed gas price to new extremes. German Q4 spot realised at record high 179 €/MWh as higher power demand, together with lower hydro and wind, led to increased need of thermal power.
- Driven by high Continental European power prices, deficit in water reservoirs and a cold snap during December, Nordic system price increased to 96 €/MWh during Q4 2021.
- German-Nordic spread for Q4 2021 realised at 83 €/MWh.

Forward price
- The German contract for 2023 delivery is trading around 140 €/MWh, while corresponding Nordic SYS contract is close to 38 €/MWh.
- The German-Nordic spread for 2023 delivery increased from 25 €/MWh in the beginning of 2021 to a level of 100 €/MWh lately.
- German contract is tracking the changes in short-run marginal costs for gas to power units, reflecting the tightening power balance in the Continental Europe.
- The Nordic contract is influenced by growing Nordic renewable supply and limited interconnector capacity towards the Continental Europe.
Nordic forward prices and Nordic sys spot averages

Source: Bloomberg
## Fortum’s Nordic and Polish generation capacity

### Generation capacity, MW

<table>
<thead>
<tr>
<th>Country</th>
<th>Hydro</th>
<th>Nuclear</th>
<th>CHP</th>
<th>Other thermal</th>
<th>Wind</th>
</tr>
</thead>
<tbody>
<tr>
<td>FINLAND</td>
<td>1,553</td>
<td>1,487</td>
<td>375</td>
<td>565</td>
<td>-</td>
</tr>
<tr>
<td>NORWAY</td>
<td>13,283</td>
<td>4,684</td>
<td>24</td>
<td>3,980</td>
<td></td>
</tr>
<tr>
<td>SWEDEN</td>
<td>3,177</td>
<td>1,737</td>
<td>123</td>
<td>4,684</td>
<td></td>
</tr>
<tr>
<td>POLAND</td>
<td>145</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

### Figures 31 December 2021

- **Fortum**
  - Hydro: 6,424
  - Nuclear: 4,560
  - CHP: 559
  - Other thermal: 1,740
  - Generation capacity, MW: 13,283

- **Uniper**
  - Hydro: 1,772
  - Nuclear: 1,737
  - Generation capacity, MW: 4,684

### Associated company TSE’s plant in Naantali is not included in the MWs
Fortum’s evolution and historical strategic route

- Skandinaviska Elverk
- Gullspång
- Länsivoima 45% → 65%
- Birka Energi 50% Fortum 50% Stockholm Gullspång merged with Stockholm Energi
- Stora Kraft
- Länsivoima →100%
- Elnova 50% → 100%
- Birka Energi 50% → 100%
- Østfold Shares in Hafslund
- Shares in Lenenergo
- District heating in Poland →
- TGC-1 established
- Oil business spin-off
- E.ON Finland
- Divestment of Lenenergo shares
- TGC-10
- Divestment of heat operations outside of Stockholm
- Divestment of Finnish small scale hydro
- Divestment of non-strategic heat business

NESTE
- 1996
- 1997
- 1998
- 2000
- 2002
- 2003
- 2005
- 2006
- 2007
- 2008
- 2011
- 2012

- 2014
- 2015
- 2016
- 2017
- 2018
- 2020
- 2021

- Divestment of electricity distribution business
- Divestment of electricity distribution and heat businesses
- Divestment of Grangemouth power plant
- Divestment of Gasum shares
- Divestment of electricity distribution business
- DUON
- Ekokem
- Turebergs Recycling
- Nordkraft wind power
- Restructuring of ownership in Hafslund
- Russian wind power JV
- Investment in Uniper
- Divestment of ownership in Hafslund Produksjon
- Investment in Uniper
- Divestment of district heating businesses in Joensuu and Järvenpää
- Divestment of recharge infrastructure
- Majority owner in Uniper
- Nordic wind capital recycling (80%)
- 0.5 GW solar divestment in India
- Divestment of district heating business in the Baltics
- Divestment of Stockholm Exergi
- Divestment of small hydro

Divestments of EUR ~5.2 bn

For a cleaner world
Hedging improves stability and predictability – principles based on risk mitigation, (Generation segment)

2009 onwards thermal and import from Russia excluded
Fortum’s dividend policy aiming at increasing dividend

Dividend policy:

“Fortum’s dividend policy is to pay a stable, sustainable, and over time increasing dividend.”

* The BoD proposal for the AGM
For more information, please visit [www.fortum.com/investors](http://www.fortum.com/investors)

**Fortum Investor Relations and Financial Communications**

<table>
<thead>
<tr>
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<th>Phone Number</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
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</tr>
</tbody>
</table>

**Next events:**
Fortum’s Annual General Meeting 2022 is planned to be held on 28 March 2022
The ex-dividend date, 29 March 2022
The dividend payment date, 6 April 2022
January-March Interim Report 2022 on 12 May 2022
January-June Half-Year Report 2022 on 12 August 2022
January-September Interim Report 2022 on 10 November 2022

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- Fortum ForEnergy blog at [fortumforenergyblog.wordpress.com](http://fortumforenergyblog.wordpress.com)